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## Legislative Assembly of Ontario

Second Session, 36<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 6 May 1998

# Journal des débats (Hansard)

Mercredi 6 mai 1998

Standing committee on  
government agencies

Organization

Comité permanent des  
organismes gouvernementaux

Organisation



Chair: Frances Lankin  
Clerk: Douglas Arnott

Présidente : Frances Lankin  
Greffier : Douglas Arnott



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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 6 May 1998

Mercredi 6 mai 1998

*The committee met at 1002 in room 228.*

## ELECTION OF CHAIR

**Clerk of the Committee (Mr Douglas Arnott):** Good morning, honourable members. It is my duty to call upon you to elect a Chair of the committee. Are there any nominations, please?

**Mr Bill Grimmett (Muskoka-Georgian Bay):** I would like to move that Frances Lankin be the Chair of the committee and that she assume the chair.

**Clerk of the Committee:** Are there any further nominations? There being no further nominations, I declare nominations closed and Ms Lankin duly elected Chair of the committee.

## ELECTION OF VICE-CHAIR

**The Chair (Ms Frances Lankin):** Thank you very much. The second item on the agenda is election of the Vice-Chair. Are there any nominations for the position of Vice-Chair?

**Mr Grimmett:** I would like to nominate Mr Marchese as the Vice-Chair.

**The Chair:** Are there any further nominations? Seeing no further nominations, nominations are closed. Mr Marchese, welcome as Vice-Chair.

**Mr Rosario Marchese (Fort York):** Thank you very much.

## APPOINTMENT OF SUBCOMMITTEE

**The Chair:** Moving right along, the third item on the agenda is the motion to appoint the subcommittee on committee business. If you see the attached page, the form of the motion is set out. It is just a question of filling in the representatives from the three parties.

**Mr Bert Johnson (Perth):** I move that a subcommittee on committee business be appointed to meet from time to time at the call of the Chair, or at the request of any member thereof, to consider and report to the committee on the business of the committee; that the presence of all members of the subcommittee is necessary to constitute a meeting; and that the subcommittee be composed of the following members: the Chair as chair, Mr Grimmett, Mr Gravelle and Mr Marchese; and that substitution be permitted on the subcommittee.

**The Chair:** Thank you. The motion is duly before the committee. Is there any debate? Seeing none, all those in favour? Opposed? The motion is carried. We have a subcommittee.

I believe that is the entirety of the business. There will be a subcommittee meeting immediately following adjournment. Do we require a motion for adjournment?

**Clerk of the Committee:** No.

**The Chair:** We don't. Okay, adjourned. You can leave and we will go to the subcommittee at this point. Thank you very much.

*The committee adjourned at 1004.*



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### STANDING COMMITTEE ON GOVERNMENT AGENCIES

#### **Chair / Présidente**

Ms Frances Lankin (Beaches-Woodbine ND)

#### **Vice-Chair / Vice-Président**

Mr Rosario Marchese (Fort York ND)

Mr Alex Cullen (Ottawa West / -Ouest L)

Mr Michael Gravelle (Port Arthur L)

Mr Bill Grimmett (Muskoka-Georgian Bay / Muskoka-Baie-Georgienne PC)

Mr Bert Johnson (Perth PC)

Ms Frances Lankin (Beaches-Woodbine ND)

Mr Rosario Marchese (Fort York ND)

Mr Dan Newman (Scarborough Centre / -Centre PC)

Mr Joseph Spina (Brampton North / -Nord PC)

Mr R. Gary Stewart (Peterborough PC)

#### **Clerk / Greffier**

Mr Douglas Arnott

#### **Staff / Personnel**

Mr David Pond, research officer, Legislative Research Service



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government agencies**

Subcommittee report

**Comité permanent des  
organismes gouvernementaux**

rapport du sous-comité



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Wednesday 13 May 1998

Mercredi 13 mai 1998

*The committee met at 1002 in room 228.*

## SUBCOMMITTEE REPORT

**The Chair (Ms Frances Lankin):** I call the meeting to order. I think we can deal with the business fairly quickly today. You have before you a subcommittee report. It is in two sections. There will actually be three motions that we will deal with.

The first part of the subcommittee report deals with the subcommittee's review of three certificates, two of them dated April 24, 1998, and one dated May 1, 1998. I'd just ask the clerk to read into the record the subcommittee's recommendations with respect to those certificates.

**Clerk of the Committee (Mr Doug Arnott):** "Your subcommittee considered on Wednesday, May 6, 1998, the selection of intended appointments for committee review, and has agreed to recommend:

"(1) That the following intended appointees from the certificate dated April 24, 1998, be selected for review:

"Official opposition party:

"Agency: Ontario Casino Corp board of directors

"Name: Gerald Huck

"Time recommended for consideration: One half-hour

"Date for consideration: May 27, 1998

"Agency: Ontario Civilian Commission on Police Services

"Name: Barbara Morland Wellard

"Time recommended for consideration: One half-hour

"Date for consideration: May 27, 1998

"Third party:

"Agency: Ontario Realty Corp board of directors

"Name: James McKellar

"Time recommended for consideration: One half-hour

"Date for consideration: May 27, 1998

"Government: No selections

"(2) That the following intended appointees from the certificate dated April 24, 1998 (amendment to the certificate dated March 4, 1998) be selected for review:

"Official opposition party: No selections

"Third party: No selections

"Government: No selections

"(3) That the following intended appointees from the certificate dated May 1, 1998, be selected for review:

"Official opposition party: No selections

"Third party: No selections

"Government: No selections"

"(4)" —

**The Chair:** Sorry, I'm going to deal with that part separately. Could I ask for a member of the subcommittee to formally move that.

**Mr Rosario Marchese (Fort York):** I move receipt of that report.

**The Chair:** All those in favour, please indicate. Opposed?

**Mr Bert Johnson (Perth):** I'm disputing the fact that we have to sit here while it's read.

**The Chair:** I appreciate that. Perhaps as time goes on and you allow me to get accustomed to the role of Chair, we might be able to adopt procedures that you and others may find more convenient to your time. Thank you.

Item 4: Could I ask the clerk to read that recommendation into the record.

**Clerk of the Committee:** "(4) That, pursuant to standing order 105(g)11, the committee agree unanimously to extend the deadline for review of the intended appointees as selected above until May 27, 1998."

**The Chair:** Could I ask for a subcommittee member to formally move that, please. Mr Grimmett. Is there any discussion?

Seeing none, all in favour? Opposed? That's carried.

*Interjections.*

**The Chair:** If I could indicate, pursuant to standing order 105(g)11, the recommendation that's before you here is that "the committee unanimously agree to extend the deadline." As with procedures in the House, if there are many members who disagree — it takes unanimous consent in order to extend the deadline. Given that there has been a member who indicated that he disagrees, the committee would have to meet next week in order to deal with these certificates in a timely fashion.

**Mr R. Gary Stewart (Peterborough):** Do you want to get thrown out, Bert?

**Interjection:** Come on, Bert, you want to be loved.

**Mr Bert Johnson:** I'm going to bow to the pressure and change my vote on that. Flip-flop.

**Mr Dan Newman (Scarborough Centre):** Why don't we recall the question then?

**The Chair:** I would like to do that. I don't know if this is the correct procedure, but let me now put the question again and ask the committee members whether or not they agree with Mr Grimmett's motion. We're looking for unanimous consent to extend deadline for review until May 27, 1998.



All those in favour? Opposed?

Seeing none opposed, I accept that as unanimous consent.

The third part of the subcommittee report deals with the appointments review process. The subcommittee essentially discussed what the previous process had been in the prior sitting of Parliament and has agreed to recommend to the committee that the same procedures be adopted. They are as set out in this report.

Again, given that, as I understand it, there has been some debate in the past around these items, the committee felt that it was useful to have the past practice recorded, so I'm going to ask that it be read into the record by the clerk.

**Clerk of the Committee:** "Your subcommittee considered on Wednesday, May 6, 1998, the committee's procedures with respect to the appointments review process, and has agreed to recommend:

"(1) That the time allocated for the review of each intended appointee be 30 minutes, unless the committee determines otherwise; and that the time be divided equally among the three caucuses;

"(2) That committee members be permitted to reserve any unused portion of their caucus time if they wish to have the opportunity of a further round of questions; and that members be encouraged to indicate to the Chair at the end of their questions if they do wish to reserve their remaining unused time;

"(3) That selections to be made by subcommittee members, other than the Chair, pursuant to standing order 105(g)3, be submitted to the clerk of the committee in writing; that the deadline for submitting selections be no later than 5 pm on Thursday of the week following the issuance of the certificate; and that the subcommittee shall meet at the call of the Chair, at the request of the committee, or at the request of any member of the subcommittee."

**The Chair:** Could I ask for a member of the subcommittee to formally move that. Mr Gravelle. Thank you. Is there any debate?

**Mr Stewart:** I just want to make a comment on item 2. I have a great deal of difficulty with that, the fact being that I believe it tends to create a confrontational process within this committee. I believe it instils debate and I believe it instils character assassination.

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We've seen it in this committee certainly a number of times from the time that I've been on it. I believe that each caucus, if they wish to question a prospective appointee, does have that right, but I don't want to see it turn into what it has been in the past in this committee.

I have a great problem supporting that particular thing. If we all cannot ask our questions that are relevant to what the particular appointee has talked about and has done, then I think this should not be the situation where you can go back and forth. As I say, in some cases, to me, it's been an embarrassment for some of us when I've seen this type of assassination on behalf of the people who were here to give of their time to be appointed to some committee.

**Mr Michael Gravelle (Port Arthur):** I'm not sure exactly what aspect of number (2) you're concerned about, but if it's in relation to reserving —

**Mr Stewart:** I'm concerned about the fact that you can go back and requestion etc. Do it once, get it over with.

**Mr Gravelle:** What is really strange about your point is that the government has been the party consistently that's reserved its time and gone back for questions.

**Mr Stewart:** Members can do what they want.

**Mr Gravelle:** No, no. All I'm saying is that I find it odd that you'd have problems with that in that I can't recall many occasions at all when either one of the two opposition parties have actually reserved their time. We use our time and we go back to it. Almost consistently the government members are the ones who reserve their time and then they may choose to go back, and I don't have any problem with that.

I think what you're concerned about, it just seems strange in that it's been the government that has consistently reserved its time, almost on a regular basis, and gone back to it after the opposition parties have had their opportunity, let alone the fact that to me it just seems to be a fair procedural thing to be able to allow people to use the time they don't have.

I don't understand the basis of your objection in that, again, it's been your party that has more often used that. This is just a courtesy, I think, that should be recognized. I don't know if any of the other members of your caucus feel the way you do, because it really is just ultimately a courtesy.

**Mr Newman:** I just wanted to say that I don't have any problem with number 2, because we're talking about reserve time within our total allocated time. So it wouldn't prolong the questioning or the hearing.

**Mr Gravelle:** You guys use it the most.

**Mr Newman:** As a result of that, I have no problem with number (2).

**Mr Marchese:** I am in agreement with Mr Stewart, for different reasons. In subcommittee, if you recall, I raised the issue that it would be a lot cleaner just to have your 10 minutes. If you don't use it up, you would just give up your time. I don't recall people disagreeing with that, but then it appeared in the minutes in this form, I'm assuming because of past practices, the way you introduced the issue. But I really would like it if we all had 10 minutes and if it's unused, you simply don't have the time to come back to it. If that's what Mr Stewart supports, I would be very happy with that. I'm not sure whether the other members wanted to reconsider that, but if they do, I would be pleased with that. If they don't, then we'll just leave it as it is.

**The Chair:** If I may, Mr Marchese, at the subcommittee meeting you did in fact raise that point of view, but that wasn't the position of the majority of the subcommittee. The minutes actually accurately reflect —

**Mr Marchese:** I don't recall that at all.

**The Chair:** — the majority discussion on that.

**Mr Marchese:** Isn't that interesting.



**The Chair:** May I just indicate at this point in time that we actually don't have a motion before us to amend this report.

**Mr Stewart:** I guess my concern has been examples over the last two or three meetings that we've had here, and I suggest to you that all sides have reserved time, not only the government side. Certainly my colleagues have the right to their opinion, and this is the one good part about our government, that I have my rights to my opinion.

But I see people coming in here who are qualified people, who are giving of their time, in some cases on a volunteer basis, and we have a tendency to try and assassinate their character.

I have a great deal of difficulty, and if you don't believe what I'm saying, then look back in the Hansards. I've made this comment other than in the last meeting; in the two meetings prior to that. I've been on record all the way along.

To Mr Marchese, I believe if you have 10 minutes to question these people, then do so and do it in a very professional manner. Then move on to the next caucus and then make your decision on that. But when you get this confrontational stuff, I don't believe in it. That's strictly a personal opinion.

**Mr Marchese:** Do you want to move an amendment to this?

**Mr Stewart:** There's no motion on the floor, so I can't

**The Chair:** The motion on the floor at this point in time is to accept this report. So if it is your desire, Mr Stewart, to move an amendment, I think it would be to delete recommendation (2).

**Mr Stewart:** Then I would move that amendment.

**The Chair:** Speaking to the amendment now, Mr Gravelle.

**Mr Gravelle:** No, I had my hand up before the amendment was put forward. If I understand it then, the amendment is to remove that. Does it specifically talk about using your time up and that's it?

**Mr Stewart:** You use your time as allocated by the Chair and it moves on to the next —

**Mr Gravelle:** Quite frankly, I support that. That is the original position. To be perfectly fair here, the reason we had the original one in there was because our discussion was whether you should say you wanted to reserve your time or not or whether it was a given that your time would be reserved.

I support Mr Stewart's amendment. I think we've always felt, originally, "Use your time." As I said earlier, Mr Stewart, it's been the government that actually consistently reserved the time more often so they could have, when they perhaps weren't happy with the tenor of the conversation by the opposition parties, a chance to finish up. It gave them an opportunity. But I agree. I think ultimately you've got your time. In that we're discussing the amendment, if you've got the time, you should use it. Certainly we would have no problem with that. Alex? I would support the amendment and I hope that Mr Stewart's caucus colleagues will as well.

**Mr Marchese:** Yes, I support the amendment too. I was just wondering whether the deletion does in effect what we are talking about and what I'm supporting in the motion. I don't want to add anything further to that.

**Mr Joseph Spina (Brampton North):** Since I wasn't here last week, I just want to extend formally congratulations on your appointment to the chairmanship.

**The Chair:** Thank you.

**Mr Marchese:** And me.

**Mr Spina:** Oh, and you, Vice-Chair, Mr Marchese. I would not want to be remiss in leaving you out.

**Mr Marchese:** Fair's fair.

**Mr Spina:** I'd be prepared to support this for a couple of reasons. One is that I think that if the time is not utilized, it certainly expedites the process within the committee time frame, but in addition to that, if there is a concern about comments made by either side with respect to, as Mr Gravelle indicated, the tenor and the tone of the questions or comments that are made to the prospective candidates, we enter into a debate or a discussion, if we choose, when it comes time to actually do the appointment. I think there's always an opportunity for any of us to have redress, if we need it, at that point. Therefore, it's not necessarily something that should be or has to be done when the candidate is actually sitting at the head of the table.

In that context, I'd be prepared to support the amendment as well.

**Mr Alex Cullen (Ottawa West):** I'm relatively new to this process. I have to assume that with the deletion of (2), when it comes time for, say, our caucus to ask questions, we can split the time between the members.

**Mr Marchese:** That's in number (1).

**Mr Cullen:** Okay, that's fine. That's all I have to say.

**The Chair:** Is there any other debate on the amendment?

**Mr Bill Grimmett (Muskoka-Georgian Bay):** Excuse me, Madam Chair. There's a process whereby we can take some time to discuss this.

**The Chair:** I don't know. You've got me. I believe there is a process —

*Interjections.*

**Mr Grimmett:** Ten minutes I think it is.

**The Chair:** Mr Grimmett, I'm just informed that the process is that when we have finished debate and I am about to put the vote, you can ask for a recess for caucus at that time for up to 20 minutes.

**Mr Grimmett:** I thought that's what you were doing.

**The Chair:** I'm just about to. Let me just determine whether there's any further debate at this point. Seeing none, I would move to the vote on the amendment.

**Mr Grimmett:** And I would request a recess for up to 20 minutes.

**The Chair:** Actually, I'm informed that you should specify an amount of time.

**Mr Grimmett:** Ten minutes, please.

**The Chair:** Okay. A 10-minute recess.

*The committee recessed from 1020 to 1031.*

**The Chair:** I call the meeting back to order. At this point, I am going to call the vote. The amendment, as



moved by Mr Stewart, was to delete recommendation 2 of the report of the subcommittee. All those in favour, please indicate. Those opposed? That motion is carried.

We now have before us a subcommittee report, as amended, with item 2 deleted. Is there any further debate? Seeing none, we'll move to the motion on the subcommittee report moved by Mr Gravelle, as amended by Mr

Stewart's motion. All those in favour? Those opposed? That is carried.

That is the business that was set out before us in the agenda. Is there any further business?

A motion to adjourn? Thank you, Mr Spina. We're adjourned.

*The committee adjourned at 1032.*





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Wednesday 27 May 1998

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Mercredi 27 mai 1998

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government agencies**

Intended appointments

**Comité permanent des  
organismes gouvernementaux**

Nominations prévues



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STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 27 May 1998

Mercredi 27 mai 1998

*The committee met at 0905 in room 228.*

## INTENDED APPOINTMENTS

## SUBCOMMITTEE REPORTS

## HENRY FROESE

**The Chair (Ms Frances Lankin):** You have before you an agenda. The first item on the agenda is the adoption of subcommittee reports.

The first is the report of the subcommittee dated Thursday, May 14. May I have a motion to adopt that? Mr Grimm. Any debate? Seeing none, all those in favour, please indicate. Opposed? That's carried.

There is a report of the subcommittee dated May 21. That is for witnesses who will be brought forward on June 10. Could I have a motion to adopt? Mr Grimm. Any debate? All those in favour? Opposed? Carried.

Just noticing the list from the subcommittee report of May 21, the number of witnesses who are being called to come forward will necessitate the committee beginning at 9:30 on June 10. Is there agreement to that? Perhaps we could make note of that then.

The second item on the agenda is the appointments reviews. Just before we begin that, I want to indicate that as a result of the decision the committee took the last time, there will be half an hour per witness. That time will be split three ways between the three caucuses. It will be my intent to proceed as we do in question period. The first questioning will begin with the official opposition, of the first witness, move to the New Democratic Party and then to the government caucus. When the second witness comes forward, we will begin with the New Democratic caucus, then the government caucus, and will continue to rotate like that.

I remind members that the committee voted to change the procedure so that each caucus will have 10 minutes and they may use up to those 10 minutes. If you do not use the full 10 minutes, the time will not be reserved at the end. We will just proceed to the next caucus.

As has been the practice of the committee, if any of the witnesses coming forward have a brief statement they would like to make to the committee, they will be allowed to do so and that time will be considered part of the government caucus time.

Do we have an understanding? Terrific.

Review of intended appointment, selected by official opposition party: Henry Froese, intended appointee as member, Council of the College of Physiotherapists of Ontario.

**The Chair:** I call forward the first invited witness, Henry John Froese. Mr Froese, welcome to our committee. You may, if you wish, make a brief comment to the committee.

**Mr Henry Froese:** Good morning. I consider it a privilege to be able to attend an appointment council with you and I appreciate making a few remarks.

As you probably noticed from my CV, my career did not take me entirely into the health care area, and as such, through my industry and education background, it's perhaps rather unusual for me to be interested in health education. However, at the outset I might indicate that my experiential education and my cooperative education work that I've been involved in gave me a really good insight into what exactly I'd like to do at this particular time.

I was not an expert at that time in cooperative education and experiential education, as you see on my résumé. However, it is now probably the most recognized mode of education for high school and college students. Cooperative education now is totally involved in every high school in Ontario and possibly in Canada. I was one of those pioneers and I'm delighted to be involved with that.

Within co-op, for six years I developed secondary school curriculum. I was involved with 22 colleges of education and the universities to sequence this education through the learning of a student and giving them opportunities not only to do the math, English, science, geography, whatever they did in high school, but to continue it out in the practice of work in the real world. Accordingly, it would be interesting for a student to get one, two or three high school credits in physiotherapy as it would be in any other discipline which is related to high school studies.

While I was president of the Ontario Cooperative Education Association, we were granted \$14 million to expand co-op ed in Canada. It was totally wonderful to understand that Ontario was leading, with a lot of other countries in the world such as Germany, Austria and Italy



— when I was over there — to see that we were preparing students in these areas. Physiotherapy just happened to be one of those disciplines.

In my technical business life, I was involved in many areas, contacting industries and businesses and professionals. Updating of teachers from the computer era was of interest to me. I wasn't an expert when I started. Here I am now, not an expert, but I'm willing to work very hard on this commission.

In my avocational life, I guess I'm involved in coaching and instructing. Preventive work seems to be as important to me as working behind the scenes and trying to rehab somebody in the end. Consequently, I'm involved in trying to identify programs which enable people to get ready, in their autumn of their life like me or maybe winter of my life; I'm not so sure. Hopefully not? But I think we want to prevent injuries and try to work with physiotherapists and rehab people to prepare them for extracurricular things such as skiing and master's category of competitions and working in preparing them rather than working with rehabilitating them at the end.

I have no agenda where the commission is concerned. I recognize that I need to be updated on some of the arrangements and some of the work the college has done. I work towards perfecting programs and I try hard to look at lifelong learning. I think the college of physiotherapy along with other education should possibly continue to educate constantly. Thank you very much.

**The Chair:** Mr Gravelle, if we can begin with you, 10 minutes.

**Mr Michael Gravelle (Port Arthur):** Good morning, Mr Froese. I think clearly you're in the autumn, at the worst, of your years or so. You indicated to some degree why you're specifically interested in this particular position, but did you specifically apply to be a member of the council of the College of Physiotherapists? Did you actually ask to be on this particular board?

**Mr Froese:** Yes. I searched, through my constituency office, where exactly I could contribute some time. They gave me as much information as possible. I applied and I submitted my résumé, my CV, to this field.

**Mr Gravelle:** Then you obviously heard that your appointment was being put forward. You indicated the reason for your interest as well, in terms of your connection with sports, in essence. You have some awareness of the profession itself. Can you tell me what it is you do? You say you have no agenda. I appreciate what you were saying. Having said that, I'm sure you have some opinions in terms of the whole profession itself. I'm just curious: What do you want to accomplish? What are some of your goals if you are appointed today?

**Mr Froese:** There probably is no one outstanding issue. There are possibly half a dozen subcommittees, and within those I'll have to find out exactly how things work. To monitor, report, deliver and consequently look at the outcome of physiotherapy in its total realm is of interest to me. Perhaps more than anything else, continuing their education as new technologies appear constantly is of interest to me. When you're talking about TENS, trans-

cutaneous electrical nerve stimulation, whatever that is, when it's new on the market and practitioners have to go back to college to do their studies, that's very important to me. That kind of continuous education seems to be a focal point of my interest.

**Mr Gravelle:** Have you had much experience in a personal sense with physiotherapists?

**Mr Froese:** Sorry, I haven't been banged up lately. I really value that. But I have colleagues who have and they've attributed a lot of good to their services.

**Mr Gravelle:** What is your understanding in terms of their precise role? Is it fairly well defined in your mind?

**Mr Froese:** Yes, it is very clearly defined: to regulate their practice. They are a self-governing, self-regulating group, governing according to the law. They're developing standards of excellence through certification in knowledge and skills. Their code of ethics is very broad. It's a code of practice. Their code of ethics is extremely broad. When I developed curriculum to try to say that these students, whether it be college or high school students, should study these things, it was very difficult to delineate the confidentiality of those particular students who should be working with these highly professional people. It's a very highly respected discipline.

**Mr Gravelle:** Have you taken advantage of the opportunity to read up on the Regulated Health Professions Act and the Physiotherapy Act?

**Mr Froese:** Probably not as much as I should. I have work to do on that, absolutely, other than the code of ethics and the code of practice. Some of the details of their treatment — I guess it's mostly treatment which has to do with mechanical and discogenical pain rather than drugs. As to that kind of information, I'm not that aware of it. I don't have any degree related to that work.

**Mr Gravelle:** Do you have any concerns about the profession itself? Is there anything that throughout your years, in terms of your interest in it, you might want to express to the committee?

**Mr Froese:** I don't have any. Within that, I have no baggage; I come in here with an idea of wanting to contribute, learn, monitor and report accordingly. I don't have any information of anything that's demeaning or contrary to what they are doing, that they shouldn't be doing. I'd just like to see that there is a monitoring procedure that makes sure excellence is pursued.

0920

**Mr Rosario Marchese (Fort York):** Mr Froese, I must admit that if it weren't for one of my daughters' interest in physiotherapy, this would not be a field I would think of, generally speaking, as something I would want to do as a member of the public. But she says she wants to be a physiotherapist. That's interesting.

You have answered most of my questions in terms of your introductory remarks. I was interested in what you might have learned in Germany and/or Italy about what they do in the field of physiotherapy as it relates to the secondary school system or something else. Did you learn something there that would be of advantage to us?



**Mr Froese:** I learned that they are into a school-work situation which is a dual system of practice and work. It continues for a long time, let's say like a chef has a seven-year apprenticeship. These apprenticeship systems are not that long in the Canadian scene. Since I work with technology and business, it relates very much to a shorter period of time. I think the Europeans honour their system very much, and they regulate that longer period of methodical, repeated, disciplined study. I think we can learn something from that part, in school and back on the job, in school and back on the job, continuously.

**Mr Marchese:** I suspect we could learn a lot from Germany in particular. I was there about 12 or 13 years ago. We looked at their apprenticeship system and realized how advanced it is relative to what I think we've got, where a lot of the corporations themselves spend billions of dollars doing apprenticeship programs, as opposed to government spending its dollars through an educational system to try to teach people various fields, which is always done better, obviously, in the actual field itself. But I'm not sure we could teach one or two courses of physiotherapy in high school because it's so crammed already with required courses. I don't know how we would fit that in. Do you have a sense of how we might do that?

**Mr Froese:** Yes. We do it through this experiential learning, which is called co-op ed. Every student has to take their mandatory number of credits for their grade 12 and then their OACs. However, they can move off to co-op ed, especially at the senior level. Most of us in this room probably didn't get high school credits by working at a bank if you wanted to be an accountant. It would be kind of nice to know exactly what an accountant does in terms of the particular specialty field and being in it. We probably apprenticed at McDonald's or something like that, which makes us proficient in some part, but not necessarily in the higher trades. Now it's very common for us to be involved in funeral directing, in police work, in doctor assistance, which you might think is very confidential and very unusual, but we have thousands of students involved as an add-on to their particular high school credits now.

**Mr Marchese:** Mr Froese, I think you'll be a good member of this council and I wish you the best.

**Mr Bill Grimmett (Muskoka-Georgian Bay):** Welcome, Mr Froese. I've just got a couple of questions for you. I've had the opportunity to meet with the chairs of government agencies as a group and discuss with them the concerns and requirements they have as far as the type of members they'd like to see appointed to government agencies is concerned. One of the characteristics they said they like to see in members is an ability to make decisions, write decisions and deliver those required decisions in a timely manner. Do you have any comment on your ability to deal with that requirement?

**Mr Froese:** I think each decision-making process requires solid research and knowing exactly where we're going with it. There would have to be a time of testing out that particular procedure before you absolutely put the program in place. I'd like to see that pre-test done as

immediately as possible to try to expedite these activities. I like to get on with the job. I haven't delayed on too many projects. When we didn't have funding for particular programs, when they were cut off — that's a very big issue in everybody's life — I found alternative methods immediately to find funding by going to industry, by going to business, by going in other directions, to other professions, to get an answer and put something on the table and get on with it. I haven't delayed, and I've enjoyed that immediate activity.

**Mr Grimmett:** Thank you. That's my question.

**Mr Peter L. Preston (Brant-Haldimand):** I have more an observation than a question, sir. Welcome here. If you can do anything to promote co-op education, you'll be doing one of the greatest services to this province that anybody can do. We don't have to go to Germany; we can go to Flint, Michigan, and see the cooperation between the education system and GM and the education system and the Cott Corp. For 24 hours a day the schools are working, 24 hours a day the schools are open, and that's as far as we have to go to find out how co-op education really does work. If you can do anything to promote that, you'll be doing a great service.

**Mr William Saunderson (Eglinton):** It's somewhat ironic that we should be talking about the profession of physiotherapy today, because my wife at this very moment is at a physiotherapist. She had to wait quite a while to get an appointment with the physiotherapist, and it leads me to believe that there may be a shortage of physiotherapists who are operating on their own to look after post-operative care, broken legs or other limbs. Would you like to comment on what your knowledge is about the supply of physiotherapists and how you would encourage more people to get into the field?

**Mr Froese:** I understand there are upwards of 5,000 physiotherapists in our employment, from what I read. I don't know what the fair ratio is of that. I just came off a coroner's jury — this is not directly related, but immediately. That particular service of psychiatrists is absolutely appalling in Canada, where we have something like one to 50,000, when we should have one to 8,000 people. If that's a reality and the ratio is that bad in some of the disciplines, and if physiotherapy is that way as well, then we should definitely motivate people to an education process and show them exactly what should be available to them.

It's a fascinating field. It's a very specialized field, a non-drug type of work, and I think it doesn't require as long a study period as doctors, medical professional surgeons would, so it would be easier for a student to proceed on through that kind of a career. But I don't think too many people have absolutely been educated to that degree, to say, "These are the opportunities for that and I'll take a look at it." Schools should have more of those experts in those subject areas, those guidance departments, those career days, to understand what these specialized fields are. That's what I'd like to see.

**The Chair:** Thank you very much for joining us today, Mr Froese.



We'll be dealing with the motion for concurrence at the end of this morning's session, if that's acceptable to everyone.

PHILLIP SWEETNAM

Review of intended appointment, selected by official opposition party: Phillip Sweetnam, intended appointee as member, Commercial Registration Appeal Tribunal.

**The Chair:** I now welcome Mr Sweetnam. If you have a brief statement that you would like to make to the committee, please feel free to do so at this time.

**Mr Phillip Sweetnam:** Good morning, Madam Chairman, and ladies and gentlemen of the committee. I just thought I'd give you a few words about my background so you might judge my ability to serve on this committee.

My background is in the modular housing business. From the mid-1970s to the late 1980s, we built approximately 250 homes in the Stittsville area. In the mid-1970s, we built approximately 116 homes in a leasehold community. It was the first community to a full CMHC standard. During the 1980s, the balance of the 140 homes were built in the standard freehold way of producing homes.

I might say to you, in my view, there's no trick to being able to make good homes at \$150,000; I think the bit of innovation that our company was able to do was to use the manufactured-type housing to create a cost-effective home perhaps 20% below market value, the selling prices in the area at the time, with a good-quality home, with an effective quality control program. We had few complaints to the Ontario New Home Warranty Program.

I'd say the process of dealing with the modular blocks has actually spawned a new house-moving business for us. The backbone of that kind of business is moving portable classrooms and lifting cottages so they can be flood-proofed and so on, but there's also a prestige side of that, the heritage preservation. At Queen's University we were able to move around about six homes, and three large brick homes were moved from the core so the Stauffer Library could be built. They went out near the section of the prison for women. They're used for promoting education and so on in the area of prison guards and the like.

We've also moved the Walkerville town hall in the Windsor area, and a crew has recently just come back from Arctic Bay, where about six homes were moved from the mine near Arctic Bay to the town of Nanisivik.

In conclusion, I just hope that I can demonstrate to you that my background and knowledge of the housing business will enable me to effectively serve as a member of CRAT.

0930

**The Chair:** The third party caucus, 10 minutes.

**Mr Marchese:** Mr Sweetnam, you touched in part on the first question I'm about to ask. This tribunal obviously covers many areas, 19 statutes in all, but I understand about 400 cases are dealt with each year. Half of the cases that are dealt with by tribunal members arise under the

Ontario New Home Warranties Plan Act. You're familiar with that, I'm sure.

**Mr Sweetnam:** Yes. I've heard 40% to 45%, but yes, approximately half.

**Mr Marchese:** Clearly that's part of the main work you would be dealing with, and you commented about the experience that you've had as a developer. Could you comment on how that experience will lead you to be a good tribunal member in terms of hearings around those particular issues?

**Mr Sweetnam:** I think the important issue is to render decisions. As you know, with the new home warranty program, if people aren't happy with the way the builder treats them, they appeal to the new home warranty program. If they're not happy with the way the new home warranty people treat them, then they appeal to CRAT. I would think my knowledge of buildings and building codes and so on would enable me to help the committee reach an expeditious and judicious decision based on the evidence that comes before us. I think I could work well with the other members, in consultation. I would be there as one of the board members is my understanding.

**Mr Marchese:** I used to work in construction many years ago, and it seems to me that we used to build a lot better in the old days. That would be about 25 years ago. I'm not sure that we do a similar good job these days of construction. What is your sense of that as a developer? Are we still maintaining the same standards in construction as I think we used to, or what?

**Mr Sweetnam:** In terms of things like R factor and so on, I think the standards have generally gone up. There are other aspects which I would like people to point out to people who are purchasing homes, for instance, a chip-board floor, Aspenite-type floor. I would not like to see those, but it's an acceptable standard. If developers or people who are selling houses put forward some options they can explain to people, often people will take your advice.

As a person who has done sales, I know it's important to have a cost-effective product at the end of the day, but part of that comes in your success in the presentation of saying, "Are you prepared to pay the several hundred dollars extra in order not to have a chipboard floor?" as an example.

As a short answer, I believe the construction quality is going up and it needs a combination of good developers and discerning people to ensure that that quality continues on up.

**Mr Marchese:** Can I ask you, is everyone who buys a home aware that they're entitled to make a complaint under this Ontario New Home Warranties Plan Act?

**Mr Sweetnam:** You sign up, you indicate what the problems are at the start and so on. I believe people are aware that that's their right. You outline at the move-in time what you think the problems are and what needs to be rectified.

**Mr Marchese:** A final question: There's a task force that has been set up which has released its report on regulatory and adjudicative agencies. The task force rec-



commended that the Commercial Registration Appeal Tribunal be merged with the Licence Suspension Appeal Board, the Private Vocational School Review Board, the licensing function of the Child and Family Services Review Board and a new licensing appeals tribunal. The task force argued that this merger would achieve administrative efficiencies and save money. It would seem to me that merging all of these boards under one, yes, could save money, but I'm not sure that it necessarily would or that it would make it more efficient. Do you have an opinion on that?

**Mr Sweetnam:** First, I haven't been a member of the committee so I'm not sure I'm really qualified to make extensive comments on it. I did take the opportunity to go around to the office of CRAT and speak to the chair of the committee and he showed us some of the qualities of performance which are there. My recollection is, in the early days, there was perhaps 20% utilization of committee rooms. I think they've got that up because now that there are more houses being built and hence more appeals, I think the use of committee rooms is up to 60%. If they could achieve 90% use and have one office manager, perhaps there are some efficiencies.

I'm speaking theoretically. Really, the chair is the one who should say, "Here's the optimum point," because I know with hospitals, there's a certain point that you get to, a size where it's no longer efficient to get there. The chair of the CRAT committee would be a good person to ask about that, whether it's at an optimum size. Looking at the charts that were presented to me, I think there is some room for administrative efficiency there. They look like fairly sophisticated committee rooms, and when I was there, they weren't being used. If you could use those for licence board hearings — or somebody whose wheel has come off his truck or whatever and feels that he's had an unjust suspension — I think that would be effective utilization.

**The Chair:** Government caucus, you have about seven minutes.

**Mr R. Gary Stewart (Peterborough):** Thank you, sir, for appearing. A couple of things: You had made comment that you were moving homes, but have you built under the Ontario New Home Warranty Program?

**Mr Sweetnam:** In my day, the way you make money is you develop what you have or sell what you own. The last homes we sold were in the 1989 period. At that time it was called HUDAC, but it's the predecessor of the current new home warranty program. Yes, I have built under that program.

**Mr Stewart:** Certainly some of the public that I've talked to over the last couple of years have had some concerns and some problems with the new home warranty program. First of all, what's your opinion of it? Second, do you feel there are ways it could be changed that would make sure the buying public is as well or possibly better protected?

You're talking about those types of floors. Those are the standards. I was a bit involved with the building code over the last six or eight months, and certainly those are

the standards. Some of the people say that type of flooring is as good as some of the other that is not dried and so on and so forth.

**Mr Sweetnam:** But it does get wet in fact.

**Mr Stewart:** That's right. My concern more is, what do you think of the program, and do you think that there should be changes in it?

**Mr Sweetnam:** Any program like that you're going to find there's an ongoing need to update and review the program. I don't think it's anything to do with this committee, but my own view is in other jurisdictions — in Ontario HUDAC has an exclusive right to be the representative of home sellers and say, "Here's the only game in town." Perhaps a way to do that is, as in other jurisdictions, you as legislators may look at whether it's appropriate to have, as they have in the west, an alternative.

In the mortgage insurance business, Canada Mortgage used to be the only game in town. Then MICC came in and I think now Canada Mortgage is the better for having that competition. That's a personal view of a way to upgrade. But I'm sure that the people at the Ontario New Home Warranty Program will update their programs and reflect what's necessary, and perhaps the decisions of committees like CRAT will somehow stimulate them a little bit to be more aware of what buyers' concerns are and so on.

0940

**Mr Stewart:** I guess that was the reason for my question. You may be on the tribunal and maybe things in that will come out that could improve the whole situation, because there is some concern.

**Mr Sweetnam:** As a committee member, if I am selected, I would certainly try to be proactive in making decisions, but you are bound by the law you're given and the evidence you've got before your committee and a bit of tradition there. Some of that may come in the realm of the legislation, which is really your prerogative.

**Mr Stewart:** In many areas, appeals seem to go on forever. I would hope that when you deal with an appeal, there is some thought given to the people who are appealing and then getting on with it and getting it done in a hurry. Any comments?

**Mr Sweetnam:** I think that's a very good point, having experienced some of those frustrations in the legal community. I spoke to the chair and his approach was — I looked at some charts, and in the early days it was taking approximately 30 months to get an appeal heard; I think it was down to four or five months now as the time to hear an appeal.

Some of that is done in the way you say, that the hearing be four months after the date the information is received. It's not that you go to one counsel: "Would May 30 suit you? Oh, you're on holiday then. What would the next date be?" Pretty soon you're in September and an adjournment is sought and so on. I think you have to be a little bit ruthless and say: "Look, we all know when this is to happen. Arrange your holidays and so on so that we can get on with this expeditiously."



**The Chair:** We move on to the Liberal caucus. Mr Cullen, you have 10 minutes.

**Mr Alex Cullen (Ottawa West):** Welcome, Mr Sweetnam, to this assembly. I'm glad to see you here.

Just so everyone knows, you would confirm to this committee that you've been a long-time supporter of the Conservative Party, a long-time contributor to the Conservative Party?

**Mr Sweetnam:** Yes. I'd like to put that in the perspective that since my dad was mayor of the town of Deseronto, we've always felt it was important to support good people in the political process, Mr Cullen, and that's whether it's federal, provincial or municipal.

I might say that although I have contributed to the Conservative Party, I have also contributed to the Liberal Party and, although they're not as frequent in our area, even the NDP have supporters in our area, and when I thought those people were good people, I have been prepared to support those people there as well.

**Mr Cullen:** Excellent. That's fine. It's not a crime, absolutely. We like people who support political parties, that's a fact — some more than others, of course.

Is this your first appointment to a government committee?

**Mr Sweetnam:** A few years ago, perhaps eight or nine years ago, I was on the Eastern Ontario Development Corp.

**Mr Cullen:** That would have been an order-in-council appointment by the government of the day.

**Mr Sweetnam:** Yes, the government of the day.

**Mr Cullen:** As you know, I'm familiar with the work you do in Stittsville. You have a very good reputation there. This has to do with the subdivisions you have been involved in there.

One of the roles of this committee, and I'm sure you've already touched on it — the Commercial Registration Appeal Tribunal will hear cases with respect to the Ontario New Home Warranties Plan Act, as well as the Real Estate and Business Brokers Act. Do you think there will be situations where you may have to declare a conflict of interest?

**Mr Sweetnam:** First, understand that at the moment I'm not building. I am aware of the conflict-of-interest act. What I've found is the best way is to get stuff out on the table. If I felt there was any conflict — let's say I'm developing a 550-unit subdivision. Suppose I was negotiating with Richcraft Homes to sell them some lots, and coming before us was an appeal concerning Richcraft Homes. I think I would get on the phone to the chair and say: "Do you see that there is a problem here? Maybe it would be better if you could ask another member to serve on this particular one." If I felt it was a tough one or whatever, I would discuss it with the chair. I think he would know.

I'm fairly aware, having served on the conservation authority and those other things, of what the conflict-of-interest act is. Sometimes, as you know, perception is as important as reality, whether there is really is pecuniary

interest and so on. If I thought there was a problem, I would deal with it.

**Mr Cullen:** You've been involved in the development industry in Ottawa-Carleton for quite some time. I know the grey area where you know people who could come forward, but it's another kettle of fish, I believe, if you are actually dealing with a client who had an appeal before the tribunal.

I believe just last year you had an official plan amendment for conversion of land for development go through regional council, so I presume that land is open for development.

**Mr Sweetnam:** Yes.

**Mr Cullen:** We are now looking at an appointment to a tribunal, where you may develop that land or someone else may develop that land, and I'm hoping there won't be any appeal to the tribunal, I'm hoping the world moves smoothly, but we all know that from time to time there are hiccups. I have to assume that new homes that would be built on your lands would fall under the new home warranties act, and I'm sure anyone involved in politics knows a real estate agent somewhere who is active. We can think of a few.

I want to come back to that, because the integrity of the process is important. I know you prize your own integrity very highly. I have no qualms about that. I just want to get a better feel from you in terms of simply calling the chair or understanding that, if this is a client of yours, already that has to be separated.

**Mr Sweetnam:** First, you mentioned real estate agents. My understanding is that the expertise I would be called on for is in connection with the building industry. I don't understand that I would deal with car dealerships or real estate agent disciplinary actions. Those are not my field of expertise.

I'm comfortable enough with the situation that I'm not sure I would see where there is a problem. If I was negotiating with somebody to sell them property, I would not deal with their claim. It's as simple as that. The grey area may be that if two years ago I had spoken to somebody about it and we really haven't had any ongoing negotiation, I think it's appropriate to bring that to the attention of the chair and say: "Look, no ongoing negotiation. You've asked me to serve on this committee. I thought I should disclose that to you." That's the kind of integrity that I think is important.

In my community I had industrial land and served on an industrial commission. I think the easiest way is that you get it out on the table. You say: "Look, here's the land I own. If anyone thinks that there's a conflict, here is the information." People can judge you on your record.

**Mr Cullen:** Have you had experience with a tribunal?

**Mr Sweetnam:** At the conservation authority there's a tribunal mechanism. If you want to build in a floodplain area you can flood-proof your structures. The staff have guidelines that are set out, and if the applicant is not happy with the ruling of staff they can appeal it to a tribunal. I must tell you, in the 15 years I've served, we might have had seven or eight appeals to the tribunal mechanism. I'm



not vastly experienced, but I at least know what the process is.

**Mr Cullen:** With this particular tribunal, have you had any experience with that as an applicant or an appellant?

**Mr Sweetnam:** When we built as what was then HUDAC or the new home warranty program, maybe three people might have appealed to HUDAC to say, "We don't agree with the way Sweetnam has fixed this." But we were still able to resolve that at that level, so it was never appealed.

**The Chair:** Mr Sweetnam, thank you very much for joining us today.

0950

### JAMES MCKELLAR

Review of intended appointment, selected by third party: James McKellar, intended appointee as member, Ontario Realty Corp board of directors.

**The Chair:** Would James McKellar come forward, please. Sir, if you would like to make a brief statement to the committee, please feel free to do so.

**Mr James McKellar:** I don't have too much to say. I think there was a brief biography. I'm a professor in the Schulich School of Business, York University. I'm also associate dean of the business school. I was asked by the ORC if I was willing to serve on the board. I agreed, and that's the reason I'm here this morning.

**The Chair:** Thank you very much. We begin with the government caucus.

**Mr Grimmett:** Welcome this morning, Mr McKellar. I had the opportunity to look at the background information about you. You certainly have an impressive list of qualifications. I'm assuming that the people who put your name forward saw you as a person who could provide useful advice to the Ontario Realty Corp. Have you had an opportunity to review the operations of the realty corporation? If so, I wonder if you could comment on your background, whether you've provided advice to these kinds of organizations before.

**Mr McKellar:** Yes, I have. I'm continuing work with the federal government, public works. I have done some previous work with ORC. I should even mention that tomorrow morning I'm giving a major address in Ottawa dealing with this whole issue of restructuring of public assets. I'm very familiar with the issues, both on the public side and the private side.

**Mr Grimmett:** One of the issues the ORC is dealing with is the sale of surplus lands. In my experience as a lawyer, about three quarters of my practice for 12 years was real estate type of work. It's probably fair to say that disposing of government land is quite a bit different from transactions involving waterfront or cottage property, which I did most of my work in.

I wonder about the government practice of, it seems almost, obscuring the sale of their property. There doesn't seem to be the use of some of the general marketing practices, of putting signs on properties and generally letting

the public know that those properties are available for sale. Do you have any comments on that?

**Mr McKellar:** I don't have any direct knowledge of examples, but certainly government has always found it difficult to dispose of land, because the politics do enter into it. The public often view that public lands do not have market value, that they should be contributed for parks, social housing etc, and if a For Sale sign went up — and I'm just being hypothetical — you would probably see five, six, seven different interest groups. I'm very empathetic to the dilemma that government faces in this. It's not quite as simple as saying that you can adopt what the private sector does, because the private sector isn't subject to pressures to give their land away.

As an example of this, I was involved in a workshop with cabinet ministers on the Downsview airport, and on the day they said they would get market value, the Prime Minister announced that it was going to be a park. These are the kinds of conflicts you get into. It would be hard to put a For Sale sign on Downsview airport, for example.

**Mr Grimmett:** I'm not talking about that type of property, though. I'm talking about the standard office building or commercial property in a downtown area, be it in a large urban centre or a small urban centre. It seems to me that normal business practices would suggest that you want as much of the market to know about it as possible. Do you have any thoughts on that?

**Mr McKellar:** Again I'll use examples that are out of your sphere, but the federal government did try that route with the building on I believe Adelaide Street East; they brought in developers and then, for political reasons, withdrew it. The development industry was quite upset at the fact that it was following market procedures but at the last minute, for various reasons, it was withdrawn. They had put in a lot of time and effort.

Each side has valid reasons for their views, but as I indicated, it's not always quite as simple as it may seem. I think governments today are very aware that they have to be more expeditious and they do have to look to the private sector for some examples, but the transfer of some of those directly to the public side isn't always as easy as it seems.

**Mr Grimmett:** You originally were in the residential development business and then you became involved in academic work. Do you continue to have a close connection with the business world?

**Mr McKellar:** I am not an owner of a firm. I have a close connection with the business world as it relates to my credibility as an academic. I think that's a very important issue, in terms of mentoring, in terms of leadership, in terms of role models. I would say yes, I do have a close connection to the business world. I also have an equally close connection to the public sector.

**Mr Grimmett:** So if you're on the board of ORC and other members of the board are looking to you for advice, are you able to offer an analysis of private sector marketing practices, for example, that is up to date?

**Mr McKellar:** One of the areas I specialize in, in my research work, is the performance of real estate markets,



because it's one area that the industry actually knows very little about. All you have to do is look at the débâcle of the late 1980s when we built things that no one wanted. Today the real estate markets have recovered, not because of the demand for space but because of the market for capital. That is an area in which I believe I do have a considerable expertise.

**Mr Grimmett:** Those are all the questions I have, Chair.

**The Chair:** We move to the Liberal caucus.

**Mr Cullen:** Thank you, Professor, for coming to us today. I have to assume that with the expertise you have, you also provide consulting work to the industry.

**Mr McKellar:** On a limited basis, that is correct. I don't actively run a consulting business, but I have been brought into situations by the federal government, I've been involved with the provincial government and with the private sector from time to time. I would say they are of a consulting nature, but I don't run an active consulting business.

**Mr Cullen:** Therefore, your appointment to the Ontario Realty Corp would not pose a problem for your consulting work and would not pose a problem for the Ontario Realty Corp.

**Mr McKellar:** None whatsoever.

**Mr Cullen:** Good. I was interested in the discussion we had earlier about disposal of public lands. I'm a former school board trustee and municipal councillor and I know that when those public bodies try to dispose of their lands, they're obliged by law to offer their lands to the next public level. In other words, the school board has to offer their lands to the city, the region, the province or the federal government before it can reach open market. The theory behind that is that it has been bought by public dollars — sometimes expropriated with public dollars — and it could serve a further public use. It may be that one public agency can't use it but another might. Then, when it gets there, there's a whole issue of, is it appropriately zoned? Oftentimes these things are zoned P.

Office buildings are straightforward, I would think, but many different classes of lands are going to be up for disposal beyond simple commercial buildings. Do you think there's some viability or some utility in having a policy that first offers these publicly purchased lands to a neighbouring public body for continued public use?

**Mr McKellar:** There may be reason to formulate that policy. I can't comment specifically on it. The dilemma that governments have is that one day they wake up and find they've got all these assets sitting on the books and they're not an asset, they're a liability, and for one reason or another they haven't been able to dispose of them.

Today, I think governments are looking at whatever policies would effect the more rapid disposition of these lands, because there has been a historic trend to just keep accumulating, for whatever reason. While those policies in the past may have been justified, governments today are beginning to look at them, because there's a fundamental in real estate, and that is that land is a liability; it's not an asset until you do something with it.

**Mr Cullen:** Until you do something with it? That's interesting. I was always told, "They're not making more of it, so it's better to buy now than later."

**Mr McKellar:** I always tell people that if you want to buy dirt, you can buy it in bags at Loblaws. What you're really dealing with is a right and you're trading in rights, so it really comes down to those rights. You're right, they don't make dirt, but there's a lot of it around.

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**Mr Cullen:** If we're dealing with, for example, the sale of land that the province owns, that could be continued in public use, do you think it would be a useful part of the Ontario Realty Corp to at least check into that? My best examples are school sites. It is a government regulation, as a matter of fact, that causes school boards to do this. It isn't because the school boards want to do this; the school boards want to get the immediate market value of these places. But the community has another view of the use of these lands. It's a safety check that at least you have gone and spoken to either regional government or city government to see if they have an interest; if there is, then a negotiation can continue there.

**Mr McKellar:** One of the problems I could see with that is that school boards today, using them as an example, have to be fairly dynamic and realize that population trends and so forth shift. So as one school declines, another school grows. If each school they've had in the past is given away and they have to replenish the new school sites, it becomes an onerous burden on that school board. They may feel that to be much more adaptable, to grow and so forth, they may have to look at ways to gain some revenue from the existing sale to offset the cost of growth. That has to be measured against the interests of that particular community, because that particular community may be getting a benefit at the expense of a future school site.

Those are the kinds of issues that are being imposed today, because each of these groups and agencies is finding that it has to be much more self-sufficient, that government doesn't have an endless amount of money to simply say: "Well, it was a school site. We'll give it to the community as a park, and we'll just go and build another school."

**Mr Cullen:** That's not quite how the world works, but the principle is there.

*Interjection.*

**Mr Cullen:** Well, that's not how the world works; that's not how the world works with school sites, because the school board would get compensation from the municipality. If the community wants to keep that school yard as a park, it has a right to; it has already paid for it through its taxes.

Coming back to the Ontario Realty Corp, because it does not deal with school sites, one of the concerns that have been raised is the contracting out of the management of government assets and the ability of the government to put forward building management policies — I'm thinking of the green-office concept — so we can have energy-efficient buildings, so we can have environmentally conscious buildings, building practices, all those things,



whether it's the cleaning staff or what have you, because a lot of time, a lot of money and a lot of material goes into the maintenance of these assets.

Are you sensitive to this issue? Is this an issue that is important to you, that the Ontario Realty Corp retain the ability to set such policies or can transmit such policies to the people it contracts out to, the management, including the sale of assets, the purchase of assets, to the private sector?

**Mr McKellar:** Yes. In fact, I would take it one step forward. I think it's not just the greening of buildings; I think the emphasis today is on the quality of the work environment and how that environment affects productivity, how it affects people's wellbeing. We tend to take simple solutions and put a sticker on a building and say, "This building has been greened up." We forget that the reason for the building is that people go in there and work eight hours a day. It might be of some perceived value that it has been greened up a little bit, but I think today a lot of corporations are saying that real estate isn't the ownership and maintenance of the buildings; it's the provision of quality workplaces. The best examples of this at the moment happen to be in the private sector. We can look at companies like IBM and others, which have really pioneered, and many of these companies, because of what they've learned, are willing to assist others.

I have to say — I mean, the speech I'm giving tomorrow — outsourcing is a very important part of some of this pioneering effort. All you have to do is look at information technology. Corporations themselves cannot hire and retain that expertise; they outsource it. They outsource it because the market is changing, ideas are changing.

I think the general idea is that as long as you're clear on what your policies are, you can probably have a mixture. I'm not saying one solution, but certainly the marketplace is one place to find some new ideas. It has to go well beyond just the greening of buildings.

**Mr Marchese:** Mr McKellar, I was interested in some of your comments earlier on about the politics of selling land and how difficult that is. You talked about the problem, really, but you didn't talk about how you might deal with some of the politics that inevitably you've got to deal with. You mentioned the Downsview lands as an example of a problem. When faced with such a problem, what would you do?

**Mr McKellar:** There is the hard reality that we are a democracy and we elect people to make decisions. At the political level they have the right to allocate those resources. I did a study for the Auditor General on this topic a few years back, and our guess was that probably 30%, maybe 40% of decisions affecting real property have political — and there isn't much you can do. We're not going to switch over to a system of government other than what we have, so you live with that.

On the other hand, for example, one way to deal with this is the downsizing of these very large government departments that were in the real estate business, because many of them were there to perpetuate their own interests. Public Works Canada is an example of an enormous

industry that did nothing but perpetuate its own interests. When I would advise them to sell the land, they would say: "Gee, maybe we should be in the housing business. Why don't we develop it? We can do a better job. We can make money." In doing it, they subjected themselves to even more of the political process.

I'll give you an example: the LeBreton Flats in Ottawa. When the Treasury Board decided to develop it, they had to go into partnership and go before the city government. The city government says: "Oh, you're the federal government. We expect you to do this and this and this." One solution to it is to get government out of the development industry per se.

**Mr Marchese:** Which in itself creates the problem that you were describing, obviously. Part of the problem is that the government is in the business and it should get out of it, and that would solve it, in part. That's what you're getting at, right?

**Mr McKellar:** I'm saying that government should realize that its business isn't to be in the development business or to duplicate what can be provided in the market. Its business is to set political agenda and to make sure it has skilled people who can carry out those agendas.

I'm not being critical of government in this case, because many business corporations did this. Bell Canada was in real estate, IBM was in real estate, Famous Players was in real estate, food companies were in real estate, Magna was in real estate, and many of these companies have said, "No, let's go back to our core business." So I don't mean to be critical of government, but in the old days everybody thought they could make a buck at this business and got into it. You're not following a trend that has not been now well-worn by the private sector, and that is to get back to your core business.

**Mr Marchese:** In the 1998 budget, Minister of Finance Ernie Eves announced: "A key goal of the proposed new structure is to ensure the capacity of the ORC to effectively and competitively manage the government's real estate portfolio. This includes ensuring that an adequate revenue stream is available to cover the costs of the real estate management responsibilities of the government." That's about all we heard. There's not much more detail.

It seems that the new chair of the Ontario Realty Corp, Joe Mavrinac, indicated, and he must have had some insights into this, that the projected new status of the ORC — he discussed that and indicated that the corporation will become a fee-based agency, with the legislative capacity to earn fees from facility management, project management, real estate transactions and asset management. I'm not sure you are aware of those discussions. You might not have an opinion in that regard.

**Mr McKellar:** I think I've read the same material that you've read.

**Mr Marchese:** Do you have an opinion on that, a fee-based agency, legislative capacity to earn fees?

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**Mr McKellar:** Yes. I think it's indicative of the fact that governments are now saying that if departments and



agencies carry on business, they have to understand the cost of that business. In the past, for example, an agency would say, "We're going to set up a new department or a new agency," and it might need 8,000 or 10,000 square feet. That was a freebie. Then they would have the 10,000 square feet and they would keep it.

I think what governments are saying today is that any function within government must view labour, paper, computers and real estate as a cost. What we are seeing is that agencies are now having to include in their budgets the cost of that space. Quite often it's done by paying rent for that space. I do understand that it's moving money from one pocket to another, but it's making the users of that space understand that they are consuming a dollar that might be used somewhere else.

Fundamentally, it's a very good idea. It's always a little difficult to put into practice, because it's easy to do for office space but it's a little more difficult to do for some assets that fall into that grey area.

**The Chair:** Thank you very much, Mr McKellar.

#### BARBARA WELLARD

Review of intended appointment, selected by official opposition party: Barbara Morland Wellard, intended appointee as member, Ontario Civilian Commission on Police Services.

**The Chair:** Is Barbara Morland Wellard here? Please come up and join us. Ms Wellard is an intended appointee as a member of the Ontario Civilian Commission on Police Services. Is it Ms Morland Wellard or —

**Mrs Barbara Wellard:** Mrs Wellard is fine.

**The Chair:** You are free to make a few brief opening comments to the committee if you wish.

**Mrs Wellard:** I'd like to make just a brief opening statement, if I could.

Good morning. I'd like to thank the committee for requiring my attendance here this morning and I welcome the opportunity to respond to your questions.

By way of introduction, I've been a practising lawyer in the city of North Bay for 18 years, and except for my attendance at Queen's University for my undergraduate and law school, I've lived in North Bay all of my life.

My law practice is a general law practice with three other partners, and I have an emphasis on civil litigation. I have appeared before all of the courts in Ontario except the Supreme Court of Ontario and I have appeared before many administrative tribunals.

I first became interested in policing issues when I noticed an advertisement in the Ontario Report for part-time chairs for the Board of Inquiry that was going to be established under the Police Services Act, 1990. I applied for the position. I was interviewed by the chair at that time and received an appointment to the fledgling board.

I assisted in drafting the rules for the board and setting procedure for the board hearings. In my capacity as a part-time chair, I held two hearings with viva voce evidence, one in Sudbury and one in Sault Ste Marie, and I heard one appeal on the record.

Quite frankly, during my tenure as a board member, I and other board members were surprised at the low number of requests for hearings before the board. I admit that under that regime there was an unreasonable delay in having the hearings held. That was for many reasons, but I think a number of them were due to the beginning of the board and just the difficulty of having to deal with the northeast region, which is where I was hearing the actual hearings of police misconduct.

As a member of the board, I also attended a three-day workshop at the beginning of the Board of Inquiry sitting, and the part-time chairs met regularly to discuss issues affecting the board.

With the intended passage of the new amendments to the Police Services Act, the part-time chairs' orders in council were not renewed.

When I was advised of the opening in the Ontario Civilian Commission on Police Services, I indicated that I would be quite interested in serving on that commission.

I have a commitment to public service. I have served on the board of directors for the Nipissing Transition House in North Bay. I've been involved with the Rotary Club in North Bay. I've been on the board of directors of a home for chemically dependent youth. I've been very active in our arts centre and with legal aid.

With my legal background and previous experience with the Board of Inquiry, I believe I would be a positive addition to the Ontario Civilian Commission on Police Services, and I'm looking forward to working with the chair, Murray Chitra, and the other members of the board if this committee sees fit to approve my appointment. Thank you.

**The Chair:** We'll begin with the official opposition. You have 10 minutes.

**Mr Gravelle:** Good morning, Mrs Wellard. How are you?

**Mrs Wellard:** Good, thanks.

**Mr Gravelle:** Your background is very impressive, and certainly your previous involvement in terms of the board is very interesting. There obviously are some pretty dramatic changes in the Ontario Civilian Commission on Police Services in terms of the Police Services Amendment Act. One of the most controversial is eliminating the police complaints commission. There was a great deal of debate around that and obviously it's a very different system that's in place now. I would be curious as to your thoughts on the elimination of the police complaints commission, how you think the process will work and whether you think it will be fair.

**Mrs Wellard:** First of all, the police complaints commission, in my involvement with the board, didn't even apply to any place other than Metropolitan Toronto until the act was passed in 1990. In northeastern Ontario, southwestern Ontario and southeastern Ontario we didn't have any means of complaining or filing complaints against the police other than within the internal police forces.

I wasn't that familiar with the police commission until I became involved with the board of inquiry. Their in-



vovement then in the board of inquiry was to basically take the role of a crown attorney for the complainant, to do the investigation and present the evidence. That was my involvement with the commission.

Yes, the commission is gone, but under the new system the complaint can still be filed. The complainant has to present his or her own evidence, that's true, but for every stage of the complaint process now the complainant has the ability to have the commission review the decision made by the police chief on many issues, whether it's a frivolous complaint, whether it relates to conduct or to a policy or services.

I don't see the abolition of the commission as a serious problem. I saw it as an expensive commission. When I did the board of inquiry hearings, I thought that it was a very expensive process that could have been done a heck of a lot more cheaply. The board of inquiry hearings had the police complaints commissioner and their investigator present evidence. The complainant was there to present evidence if he or she wished. Then the police officer presented his or her side of the case. We had a tripartite tribunal, we had a lawyer chair, we had an appointment from the Association of the Municipalities of Ontario, we had an appointment from the police association, and we travelled to wherever the incident took place. It was a very expensive procedure, and I think quite cumbersome from time to time for the board of inquiry to be conducted in that way.

**Mr Gravelle:** That may be the case, but it comes down to a question of just how important you think the process is in terms of fairness and allowing people a sense of justice being done in that process. One of the concerns about the process now is that it is up to the complainant to appeal a decision that's made by the chief. A number of people have registered concerns about that.

**Mrs Wellard:** It was up to the complainant under the original process to file the initial complaint at the police station.

**Mr Gravelle:** You think the system is no less fair now; you don't think the system that has been set up would make people perhaps somewhat more reluctant to —

**Mrs Wellard:** Based on what the chair tells me, he has done 400 hearings in 15 days. I don't think it's preventing people from filing complaints.

**Mr Cullen:** I would like to pick up on this. I sat on regional council and we received the agenda for the police services board and we received a listing of complaints. It was absolutely amazing, the response from the internal police sergeant, the sergeant who was always assigned to every investigation: 99.999% was that there were no grounds for the complaint, and you had all kinds. I can expect a high rate of rejection, but after reading agenda after agenda and seeing completely the same pattern, one of the things that I thought was salutary for having the police complaints commissioner was that if anyone filed a complaint with the police chief, he or she knew that the police complaints commissioner would see that same complaint. The chief of police acts on it and it's up to the

complainant if they're not happy with the behaviour of the police to then take any further action.

Do you not think that there is a salutary effect by having some oversight so that someone else is watching what's going on? Then the only people who file an appeal are those who are aware that they can appeal and those who do not feel intimidated who will appeal. We're dealing with people here in a large instance who are, in the majority part, not familiar with the process and dealing with authority to begin with and the police, for whatever reason, will have a tendency to —

**Mrs Wellard:** Trivialize it.

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**Mr Cullen:** Okay, trivialize it. Not in all cases. There is integrity in the system. But the point is, the absence of this I don't think is a benefit. What do you think?

**Mrs Wellard:** I don't think it's absence. I think the role of the police complaints commissioner has been subsumed under the new commission or the Ontario Civilian Commission on Police Services, and if a decision is made by the police chief that it's frivolous — "frivolous complaint" I think is the terminology — complainants, as I understand it, are advised that within 30 days all they have to do is write a letter to the commission. They don't have to file a formal complaint.

There are no specifics that you have to fill in a form, like a statement of claim, or anything like that. You can write to the commission and say, "I filed a complaint against Officer Joe Blow and the police chief of the city of North Bay says it's frivolous and I don't think it is." We have that review. The commission now can review that decision and say to the police chief: "It isn't frivolous. Go back now and have the hearing." So that review is there and they're advised of their rights. They're going to be advised of their rights.

**Mr Cullen:** The way it works in Ottawa-Carleton, and I don't know if we're unique there, is that there is a session with the complainant conducted by this specific police sergeant. During the course of that, the complainant is advised of his or her rights. But of course the complainant is also advised of the probability of success.

**Mrs Wellard:** Then maybe the sergeant is going too far in his advice.

**Mr Cullen:** But how would you know? I know because I still read the stuff that goes across the desk. But I think there's a big difference if people know that someone else is aware of the complaint, and therefore, because someone else is aware of the complaint, there would be a greater tendency to due diligence, which I think is important, and a greater incentive away from trivializing cases. I think because we're dealing with a public body that uses the force of law, which is the only legal force that's allowed, that can for good reasons but sometimes not because we're humans and we make mistakes — mistakes are going to happen.

This is the problem I have. After three years of watching the police board and knowing what they're doing — and these are all good people; I've worked with the police and in my opinion they're all good people — one cannot



believe that out of three years no mistake ever happened, that nothing —

**The Chair:** Mr Cullen, I'm going to have to ask you to wrap up.

**Mr Cullen:** Sorry. Perhaps you could respond to that.

**Mrs Wellard:** I don't know that I can. I just think we have to give the new commission some time. It has only been since November 1997 that the legislation has come through. Maybe if we spoke in a year and I was on the commission I might agree with you and make recommendations to see if things can be improved if they have to be. That's also the role of the commission. If servicing isn't working, and that includes all servicing, this is part of it. The complaints process is part of police servicing.

**Mr Cullen:** The last question, if I can, Madam Chair.

**The Chair:** I'm sorry. You've used up your caucus time. If we can move on now, Mr Marchese.

**Mr Marchese:** Ms Wellard, in the same vein, briefly: The bill does not empower the commission, obviously, to conduct its own investigation on the merits of the complaint on the appeal.

**Mrs Wellard:** Not like it did under the old system.

**Mr Marchese:** Right, and that is an oversight of an ability the commission would have had that it no longer has. I don't see that as a problem; I see that as a plus, as a further protection for the public, for individuals.

From the points you're making, you're obviously saying that isn't necessarily necessary, and that because people are advised about their rights to write a letter and appeal, that more or less suffices. Is that the way I am to understand the argument?

**Mrs Wellard:** Yes, that's one of the reasons. The other concern I think we have to have is that we have to have a balance of costs of systems to protect the average citizen. Look at what's happened to legal aid. There are all kinds of people being denied legal aid who have legal issues that should be dealt with and they should be given lawyers, but there isn't enough money to fund every person who has to go before the courts. It's the same sort of thing. The commission was a very expensive entity to maintain. So is there some way that we can provide similar protection in a cheaper vein, I guess?

**Mr Marchese:** For me, sometimes these issues are not matters of cost when we're dealing with matters of justice, and to have that oversight ability is something that I think is a very positive thing. To put the onus on individuals who are sometimes victims, who are therefore very vulnerable because they may or may not have the skills to deal with these problems or with an appeal or even having to deal with the issue of an appeal against a chief, these are complicated matters, often psychological by nature, and often matters of education by nature. My sense is that a lot of the victims end up possibly being hurt by a lack of these oversight capabilities. But you don't see it?

**Mrs Wellard:** I don't see it, no.

**Mr Marchese:** Can I ask you, Ms Wellard: I used to be a trustee with the Toronto Board of Education and a teacher before that, so I've had a lot of experience dealing with the various linguistic and racial communities in my

community in Toronto. Having had that experience taught me a lot about how to deal with the various communities. I tell you, if I didn't have that experience, I might not have known how to deal with some of the problems we faced in our educational system. Dealing with racial communities was a learning experience for me all the time, and it was in listening to their problems that I learned how to deal with what they expressed and what they experienced in issues of racism in the system or issues of racism in other areas of society.

Our racial communities have a lot of complaints against the police, generally speaking, and sometimes that conflict continues unresolved. What is your experience as it relates to people like that who have had problems with the police system?

**Mrs Wellard:** My experience is more with native Canadians in northern Ontario, where we have a number of Indian bands who reside in the North Bay area. The two hearings that I did under the board of inquiry were issues of native rights and were claims of police misconduct and misunderstanding of native issues.

With respect to other races, I don't have a tremendous amount of experience but I'm willing to learn. It's going to be a learning curve coming to this commission and there are members on the commission who I'm sure have that experience and can pass that on to me.

**Mr Marchese:** I think having experience with aboriginal people is as good as anything. We know that aboriginal people face the same difficulties as people of colour, and if you are well connected to those communities, you will understand the problems we're dealing with, by and large.

As a final question, what challenges do you think you'll be facing as a member of this commission?

**Mrs Wellard:** Some of the challenge certainly will be, if this continues, the volume and in making recommendations for changes if they're required and if they're necessary. It's going to be different for me, because under the board of inquiry I did mostly just the quasi-judicial hearings. This commission is much more involved than that and I'm not totally familiar with that. I've been reading in the newspaper about the complaint by the Toronto police officers, and obviously that's work the commission is going to be dealing with.

Challenges are going to be again, I guess, in some of the municipalities, changing their policing services, maybe going with the OPP or amalgamating with some of the adjoining forces and to help municipalities deal with that. I understand that's one of the mandates of the commission. So I'm looking forward to it.

**Mr Marchese:** Do I have another second?

**The Chair:** Yes, you have five minutes remaining.

*Interjections.*

**Mr Marchese:** Given that, Madam Chair, my colleague would like to have some questions.

**Mr Gilles Pouliot (Lake Nipigon):** Thank you, and welcome. I apologize for the lateness. We're a small, dedicated group. Nevertheless there are other commitments to be addressed and I'm sure you'll understand.



You have mentioned, en passant, that you have some experience with first Canadians, with aboriginals.

**Mrs Wellard:** Some.

**Mr Pouliot:** By virtue of location, North Bay.

1030

**Mrs Wellard:** Yes.

**Mr Pouliot:** I must ask you this, and please, I rely on your benevolence. North Bay brings a Mike Harris connection. Have you ever been a member of any political party?

**Mrs Wellard:** Absolutely.

**Mr Pouliot:** Can I ask you which party?

**Mrs Wellard:** Sure you can. I'm a member of the provincial Progressive Conservative Party.

**Mr Pouliot:** Oh, you are a member of the government party.

**Mrs Wellard:** Surprise.

**Mr Pouliot:** Please, with respect, I do not personally impute motive. I'm here to ask the questions. Have you made a political donation, attended a fund-raising dinner?

**Mrs Wellard:** For Mike Harris or for Bob Wood?

**Mr Pouliot:** Either one.

**Mrs Wellard:** Both.

**Mr Pouliot:** How much does this tenure pay, are you aware? Is there an annual sum?

**Mrs Wellard:** Yes, I am aware. It's \$15,000 a year. It requires me to be out of my law office approximately three to four days a month.

**Mr Pouliot:** We'll stick with the \$15,000. For a person like myself, you can understand that it's a rather large sum.

**Mrs Wellard:** I can only tell you that for a person like myself —

*Interjections.*

**The Chair:** I'm sorry, could we keep some order and some straight faces in the room.

**Mrs Wellard:** It is a large sum, but you must remember as well that I have a law office with four lawyers that I must maintain, that I have staff, that I have overhead. You can rest assured that I'm not making money on the appointment; in fact, it's costing me because I can make more money daily at my law office.

**Mr Pouliot:** Maybe it's time to sell.

Who told you about the possibility of joining the conglomerate, the ensemble? I'm sure you know some of the people on the board.

**Mrs Wellard:** On what board?

**Mr Pouliot:** On this appointment. Did you inquire about it? Did someone call you?

**Mrs Wellard:** I was originally appointed by the NDP to be on the board of inquiry under the Police Services Act. When it was disbanded, I asked the then board chair, Gary Yee, to keep me advised if there was going to be any sort of a replacement board. I also left my name with my local member of Parliament's office and indicated that my interest was in something similar to the board of inquiry. When this became available, I was advised by my local MPP's office and I indicated that I would have an interest.

**Ms Marilyn Mushinski (Scarborough-Ellesmere):**

Welcome, Mrs Wellard. I'm very interested in the volunteer work you've done in your community. I understand you have worked quite extensively both within the native community and outside the native community, particularly as it pertains to battered women, abused women, and their children. Could you give me a little bit of background as to your volunteer experience in your community and how that experience would assist you in decision-making at the Ontario Civilian Commission on Police Services.

**Mrs Wellard:** The volunteer work I'm most proud of is my involvement with the Nipissing Transition House, the home for battered women in North Bay, which I was fundamental in starting. I was on the first board of directors. We went from having one office to renting a building, to owning a building, to actually building a new home, a 19-bed facility. I think it's 19 beds; I haven't been on it for two years. My tenure expired. I was on that board for 13 years.

In my capacity as a civil litigator I do a lot of family law. I regularly represented women in the transition house who had been in violent situations, on a pro bono basis and also on a legal aid basis. I'm very pleased that transition home still is very — I'm going to say active in the community. We always hope to have a zero capacity at some time in the future, but that's a long way off. The staff at the transition home as well have been active in the victim assistance program in North Bay.

I also was very involved in the refurbishment of our North Bay Arts Centre, an old theatre on Main Street in North Bay which was completely refurbished. We had a very large fund-raising drive for that in 1985-87 and I was the co-chair of that.

**Ms Mushinski:** So you've had more experience fund-raising for non-profit volunteer organizations than you have for political parties, obviously.

**Mrs Wellard:** Absolutely.

**Mr Preston:** Regarding Mr Cullen's attempt to indict a particular sergeant on the internal affairs of one of the best police forces in North America, if not the world, do you have any idea how many of these 99.9% frivolous charges came to appeal?

**Mrs Wellard:** No, it's only been since 1997. Do you mean that came before the board of inquiry? I really don't have any —

**Mr Preston:** If they were turned down by this particular sergeant or advised that they had no chance, they would automatically go to appeal, would they not, if they wrote this letter?

**Mrs Wellard:** If they wrote the letter, they would go to a review by the commission.

**Mr Preston:** I see.

**Mrs Wellard:** But that would only have been since November 1997.

**Mr Preston:** All right. Thank you very much. I think I've made my point.

**Mr Stewart:** Just a question, if I may, and it may be a little bit of a motherhood issue, but I have a great deal of difficulty these days when we talk about frivolous com-



plaints. I think the police in some cases, and maybe in many cases, are getting the short end of the stick. Unfortunately, whether it's a frivolous complaint or not, I still believe it tends to appear, maybe not in writing or whatever, but on a police person's record.

I guess my concern is, have we gone too far in allowing — this may be a bad choice of words — some of these so-called frivolous complaints. I have a difficulty if somebody may be coming to attack me and I don't really know and I may grab them a little too hard, and then all of a sudden somebody lodges a complaint against me as a policeman because I used brutality. Have we gone from the sublime to the ridiculous?

**Mrs Wellard:** Absolutely not. We need civilian oversight of police conduct. You have to have the ability of the individuals whom the police are there to serve to question that service.

**Mr Stewart:** But it appears to me that unfortunately they are becoming the, they're not getting the — how will I put this? It seems to me that there are so many frivolous complaints coming through that the police today are being made out to be the bad guy.

**Interjection:** To where they can hardly do their job.

**Mr Stewart:** To where they can't do their job, and I am worried about that.

**Mrs Wellard:** But as long as those are determined to be frivolous and the decision of the chief is upheld, then the protection is there. It's the reason we have, "You're not guilty until proven guilty beyond a reasonable doubt," because we want that one person where it isn't a frivolous complaint to make the complaint. We want that protection in the system.

**Mr Stewart:** You say that, but does it not work both ways? Shouldn't it work both ways?

**Mrs Wellard:** It can, but it happens in every profession. I've had frivolous complaints filed with the law society that we all have to deal with as lawyers. But I know that at least people are not being prevented from filing complaints. That's why we have the system to determine. If it's frivolous, out it goes; if it's serious, it goes to a hearing.

**The Chair:** Thank you very much, Mrs Wellard, for joining us today.

#### GERALD HUCK

Review of intended appointment, selected by official opposition party: Gerald Huck, intended appointee as member, Ontario Casino Corp board of directors.

**The Chair:** Gerald Huck is an intended appointee as a member of the Ontario Casino Corp board of directors. Welcome. You may, if you wish, make a brief statement to the committee.

**Mr Gerald Huck:** Good morning, Madam Chairman and members of the board. Thank you for allowing me the opportunity to give a brief overview of my qualifications. I would like to be considered for the position on the Ontario Casino Corp.

Growing up as part of the third generation in the marina business in the Thousand Islands has been a very rewarding experience. My home town of Rockport is located in eastern Ontario between Gananoque and Brockville.

As a youth I was involved with sports and minor hockey as head coach in the Gananoque minor hockey system for a number of years. I was also a delegate to the Ontario Minor Hockey Association. As a team, I played organized hockey and travelled the province, as well as the eastern United States. In the summer months, when I was not working at the family marina, I raced power boats and travelled around the countryside to many racing events.

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As I grew older and took a more serious interest in the marine business, I became involved locally with the chamber of commerce and tourist councils, which I continue to find important for the interest of small business.

Over the last 25 years of my participation as president of Ed Huck Marine, I've been involved with dealer advisory councils, such as OMC Canada, Johnson and Evinrude and Bombardier International, the Sea-Doo personal watercraft, as well as industry associations, such as the Ontario Marine Operators Association. This association is celebrating 30 years this year and I am proud to say I've been there since the beginning in many roles, from president and vice-president to government liaison officer.

One example of the goals of this particular association has been its cosponsorship of the Toronto International Boat Show and the Ottawa Boat and Sportsmen's Show. Having been president at the time of this important relationship, I was directly involved at many levels.

In 1989, the Huck family business celebrated 100 years of operation, from a small boat-building and livery shop to a major marina in the Thousand Islands, offering docking accommodations for over 200 boats, boat slips for several world-renowned companies and employing 20 full- and part-time employees.

I've travelled throughout North America, both on business and vacationing with my family. I especially enjoy visiting areas that attract boating enthusiasts just so I can see how the industry relates to other parts of the globe. Some of the boating-related councils I've been involved with include the national recreation boating council, specifically the boat licensing and operator efficiency committee in 1995; also with Parks Canada, the canal divisions for the Trent and Rideau systems, and the tariff review board on boating.

After retiring in 1996, I've been doing marine consulting and I'm frequently called upon as an adviser in the area of marina planning. I'm at present a member of the board of directors of the Thousand Islands regional tourism development corporation. This international council promotes the Thousand Islands and eagerly supports and promotes facilities and attractions with an annual \$1-million promotional budget.

I enjoy the outdoors and like to keep active. Tennis, golf and hockey are some of the activities I enjoy in my



leisure hours. My wife of 34 years, Rebecca, our three children, their spouses and my four grandchildren all share my enjoyment for water sports and of course boating.

In closing, my past and present experience demonstrating management skills for our growth industry, participation and leadership on numerous advisory councils, both in Canada and the United States, as well as my first-hand knowledge of the rural and urban geography of this province, suggests that I would have the necessary qualifications to objectively fill this position. Thank you.

**Mr Marchese:** Thank you, Mr Huck, for coming and for giving us all of that background. One of the things that is in our minds these days, as you might know, is the Niagara Falls casino and some of the problems that have arisen as a result of the bid that was given to Falls Management. A number of things have come out of all of this in the last week or two, much of which has been revealed by the Toronto Star in terms of the articles that have been connected to that and their revelations about many of the people who are connected to this bid, and how in the view of many of us — our colleague Peter Kormos, who is from that area, said that this deal stinks to high heaven, and some of us tend to believe that very much — there are some problems connected to it. The Falls Management bid came in third in terms of the bidding contract, yet it was awarded the final bid. So a lot of people believe it isn't because of its merits but because of the political connections they've had to this party. Do you have a comment on any aspect of all of this and how you might deal with all of that, once you become a board member?

**Mr Huck:** Just yesterday as a matter of fact, I read some of the media comments in that regard. I'm not familiar with those people or if they were board members or employees of the commission who have taken those positions to join the casino commission, so I really can't comment on it, not being a part of it.

**Mr Marchese:** We've got a problem, in my view. The government selection committee which chose this Falls Management consortium had five members. Three were members of the Ontario Casino Corp board of directors. That means they have a big say in this stuff.

One of them is David Nash, another one is Joanne De-Laurentiis, another one is Brian Wood, the corporation chair and president, and there are a few others. But David Nash is a prominent Tory hack, for lack of a better word. Leslie Noble is connected to this consortium and, as you know, is one of the architects of the Common Sense Revolution. Another member of this group was Andrzej Kepinski. The article spoke very clearly about this person's connections and his past, which were, in my view, malodorous, at least as I read them in the article.

**Mr Pouliot:** To say the least.

**Mr Marchese:** We learned that this other person, Michael French, who advised this group, oversaw the bidding contest for the Niagara casino and that the Ontario Casino Corp was "told": "Michael French will be running the Niagara process. We have no choice. It's political." So it seems to me that this whole thing smells and I'm not sure how you're going to deal with all of this. I sense you

would have a problem. Based on all this, I think we all have a problem, but you have a problem in terms of how you would deal with this. It's important to me to know what your connection is to the party, how you would deal with these issues when they come before you. You might want to tell us that.

**Mr Huck:** Obviously there's a mechanism in place where they weren't part and parcel at the same time. Being an employee, they obviously left the commission to join this company and I don't know what mechanism is in place in that regard, but I would certainly deal with it in a businesslike manner related to the morals of good business practice.

**Mr Marchese:** That worries me. "Morals of good business practice" worries me a great deal because these people who won the bid made a very substantial donation to this political party, a \$48,000 donation. I suspect that's a good business practice.

**Mr Huck:** I don't know that that's a good business practice. My assumption is that if they were in fact employees of the commission and, so-called jumped ship or took — it would certainly be their privilege to leave the government for whatever period of time is allotted. I'm not familiar with that of course. But we all have hired employees who've gone with someone else. That's happened to me, employees who have gone with my competition, for whatever reason. Maybe this is a different situation, but it's still a business decision.

**Mr Marchese:** The deal that was made with this particular Falls Management consortium, do you think that agreement should be made public and give everyone an opportunity to see how that process was handled and how the decision was made?

**Mr Huck:** Is not the operation of the commission public?

**Mr Marchese:** I don't think their decisions are public. Some aspects of the operations would be public, I would assume, but in terms of this particular deal and this agreement obviously it isn't and we've been asking the government to make it a public matter. I'm just asking for your opinion as to whether we should —

**Mr Huck:** Certainly as a member of the board I would want to weigh all those different options of the tender. Obviously it would be a selection of both cost and design. That, to me, is what the decision should be based on.

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**Mr Pouliot:** Mr Huck, I for one appreciate your qualifications and I sense some sincerity. I also appreciate your turn of phrase when you tell us about people jumping ship. It's only fitting with your past, being in the marina business, that you would be familiar with people going with a competitor or with someone else.

You don't seem, and I say this with respect and I need your help, to have any preconceived opinion vis-à-vis process, and I take it, vis-à-vis — because he knows — you seems to be candid in your approach and you're willing to serve and in the collective you will put your best foot forward.



When my friend talked about the scent of money and what he did — because you did read the newspaper and knew so as well, of course — he painted the picture which is, alas, too often, where in this instance you have a request for proposal, an RFP. Many people come to the table and make a bid, a submission. Then they are short-listed, after being ranked. These people come third; not only do they come third, but they do not address the mandate of the region. The project they have in mind is solely focused on the casino.

**The Chair:** Mr Pouliot, you have about three seconds left.

**Mr Pouliot:** Yes, thank you, Chair. It's the very kind of endeavour, the very kind of scenario that not only the opposition but the people of Ontario are questioning. We in our party actually couldn't care less who gets appointed. We want to wish them well, every one of them. We mostly meet good people, but we don't wish to have a reward for being a political hack, for greasing the tracks, because it goes beyond the trough.

**The Chair:** Mr Pouliot, can you put your question?

**Mr Pouliot:** Can you assure the committee that you come to this tenure candid, with no prejudice, with no true political affiliation, that you don't have any debt to pay or any reward to get from the government?

**Mr Huck:** I would certainly make my decision based on my own past experience in good business.

**The Chair:** Thank you. We will move to the government caucus. You have about six minutes.

**Mr Grimmett:** Welcome, Mr Huck. We, as members of the committee, are provided with some background and I try to familiarize myself with the operation of each of these agencies. We're told that this particular corporation has a variety of functions, including making sure that the operations of casinos are conducted and managed in accordance with the Criminal Code, the Ontario Casino Corp, the Gaming Control Act and any regulations, and I think when we look at people who put their names forward to sit on these kinds of bodies, we want to make sure the judgement they are going to bring to bear is going to protect the public interest here.

I see from your background, sir, that you've served in a number of functions related to, I guess, your business to a certain extent. I wonder if you could comment on how your business and your previous voluntary activities on a number of these bodies might assist you in bringing the kind of judgement that's required to the casino corporation.

**Mr Huck:** I think with my experience as a small business operator in making decisions that vary from time to time and making judgement calls, that alone puts me in a position to serve on the commission in good faith.

As a tourism involvement, to me the commission is a form of tourism. It plays a big part in tourism, reading from what the casinos have done for Niagara Falls and the city of Windsor and the other locations. My involvement in tourism promotion with the various councils would again be an asset to me as a member of the board.

**Mr Stewart:** I think it's rather unfair for you to be put in the position today of the questioning that was going on regarding the Falls Management situation because, first of all, you aren't appointed to the board yet, second, we're not involved with that, and third, that contract is not signed. But to get back to that, have you in business ever won or lost a contract?

**Mr Huck:** Yes.

**Mr Stewart:** Probably a good many of them, I assume. Of the ones that you lost, I assume you did not think that every one of them smelled in some bad way.

**Mr Huck:** No, sir.

**Mr Stewart:** It's called a business. Again, I guess these days, whether it be an RFP or a tender or whatever, many of those have right in them that some of them may not meet the criteria. In most cases it's not necessarily the lowest bidder to be accepted. It's very easy to criticize, I believe, that somebody is being awarded something, not knowing the full details. Part of it is to make sure that they meet the criteria as set out.

I have a great difficulty when you get criticized that you are suggesting that it should be done in a businesslike fashion. I believe that many, many business people are very honest and I get very upset when I hear people say that just because you're in business you're a crook. I have difficulty with that so I just want to make sure that it was on the record that, yes, people do win and some do lose, but it's the end result that counts and you've got to make sure it adheres to the criteria that were put out. Thank you, sir.

**The Chair:** We will move to the official opposition.

**Mr James J. Bradley (St Catharines):** My first question, with your background in tourism, is about the Niagara Falls casino and the anticipation of the community that along with the casino would have gone a lot of tourist attractors, because I think the Niagara Falls casino is characterized as a tourist destination casino.

Some of the people who were bidding — and I'm not getting into individual bids — but some of the things people talked about for tourism were an indoor water park, an amphitheatre, computer-simulated theatre, golf course, indoor-outdoor promenade of shops and restaurants, a six-pad hockey rink, a 200,000-square-foot convention centre, a family entertainment centre, an aquarium, things of that nature.

It seems to me — and I understand the contract has not been signed yet, but ultimately the one that was chosen didn't seem to have many of these other attractors. I know the city council, for instance, in Niagara Falls and some others were really hoping that not only would they have the casino itself but a lot of other good tourist things to go with the casino. They thought that could be part of the package. Do you think it would be a great advantage to have many of these other things instead of simply the casino itself?

**Mr Huck:** I think in tourism destination locations all these other amenities are necessary, and ultimately they will be available in a tourist destination area. If you are going to hold the tourists to an area, I think you have to



give them things to do. They might not necessarily be the water slides or whatever that you've mentioned, but they have to be things of interest, whether it's a winery tour or nature trails. There are various other amenities in a tourist destination area. Yes, they are important.

**Mr Bradley:** Would you advocate in favour of, I'll call it, a restoration of and an emphasis on the Gateway program, in other words, a program which was to gather tourists as they come in? There were a lot of Gateway projects mentioned; the big convention centre, for instance, was one in Niagara Falls. Would you advocate in favour of that as part of a package that would be related to this casino or any future casino that might go into Niagara Falls?

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**Mr Huck:** I think it's natural apparently from the Gateway location to the American — I guess 80% was the number down in Windsor in the media, that 80% of the attendees to the casino area were from the US. But I think the travelling, the motorcoach business is also very important to whatever tourist location. I think restoration would probably be an asset to that location.

**Mr Bradley:** One of the problems that was described with one of the bids or something like that was — I want to deal with the process as opposed necessarily to the people. Was it Mr Brown who was one of these people who's involved in this from the government end of things? One of the people anyway said that they had done only a preliminary search of the background of some of the people involved.

I would have thought it would have been a great advantage at a fairly early stage to do a very careful scrutiny of the business background of some of the people who were bidding. It avoids this bit of a cloud that comes as a result. This was a couple of weeks ago. This was not the story on Monday, but a couple of weeks ago there was talk about there not having been what you'd call a secondary or careful search of the background of people. Do you think it would be a good idea in the future to do that at that early stage?

**Mr Huck:** I'm not totally familiar with casinos. I've been to various locations like most of us. I think, in all fairness, the casino business gets probably painted with a bad brush in areas that we've probably talked about, Las Vegas or wherever, but in what we're calling the Canadian-made casino I think it is important that the people involved are of the highest standards.

**Mr Bradley:** And that would be best determined at an earlier stage with a more — I don't know whether you'd call it a secondary search of the background as opposed to just a preliminary. I just think the government could probably have avoided a bit of a problem with this because today now they're having to react to it as opposed to being — I don't like the word "proactive"; I don't even know if it exists — but rather than being proactive, they're being reactive in a situation where a couple of the people involved, one of them had some business dealings that have been called into question.

I don't know whether that's relevant or not, but my worry is that this wasn't done at the preliminary stage, that somehow this is discovered down the line. Do you think it would have been better to, in any case, generally speaking, deal with a very careful search of the background of the applicants ahead of time instead of just before you're going to finally sign the contract?

**Mr Huck:** It certainly is. If I was chosen to be a member of the board, that would play an important role in my decision, yes.

**Mr Cullen:** Just a couple of small questions. You're an owner and operator of a marine operation in Rockport. I've been to Rockport, a lovely place. What brings you to the Ontario Casino Corp? Did you apply for the position? Were you called and invited to apply? How did this come to pass?

**Mr Huck:** I was getting bored with retirement. Seriously, I wanted to pursue further tourism-related activities. In checking with my constituency office I found that there was something on the Ontario casino board which was related to tourism and it sounded challenging to me.

**Mr Cullen:** Fine. I have to assume, because it seems from your CV that you've certainly been active in liaising with previous governments, that you have been active in party politics as well.

**Mr Huck:** Yes.

**Mr Cullen:** One has to assume, therefore, because of the nature of the appointment that it would have been Conservative Party politics.

**Mr Huck:** Yes, sir.

**Mr Cullen:** Fine.

**Mr Bradley:** There's a surprise.

**Mr Cullen:** Yes, there's a surprise. Just coming back, I can understand your emphasis on tourism. How do you square it with those municipalities which are concerned about the rather aggressive approach of this government to promote gambling as a form of revenue source? You're going to be in the business of promoting and advancing casino operations.

**Ms Mushinski:** They started it.

**Mr Stewart:** They started it.

**Mr Huck:** I think again it's tourism. Casinos are a form of tourism.

**Ms Mushinski:** A form of entertainment.

**Mr Huck:** Some people call it quality. That's their activity, participation. Some people go to hockey games. I think it's a matter of having good facilities and, number one, giving people what they want. Certainly taxes are received from all other forms of entertainment and this just seems like an obvious one.

**Mr Cullen:** What would be the corporation's point of view in terms of advancing or expanding its operations if it found communities that didn't want to have it?

**Mr Huck:** I think if a community doesn't want to have it — and there again I think there are some communities that voted in the fall municipal elections that have now decided that they would in fact like to be part of it.

**Mr Cullen:** But if they don't want to?



**Mr Huck:** If they don't want to, no. There's somebody else waiting to get it, so I would say no.

**The Chair:** Mr Huck, thank you very much for joining us. We appreciate your presence here today.

**Mr Huck:** Thank you, ma'am.

**The Chair:** If we can at this time move to motions of concurrences, let's deal with them in the order that the witnesses appeared before us.

The first individual was Henry Froese, intended appointee as a member of the Council of the College of Physiotherapists of Ontario.

**Mr Grimmett:** I move concurrence.

*Interjections.*

**The Chair:** If we could just have some order for a moment, please, gentlemen, I have a motion before us at this time and we should be dealing with that motion first. If you would like to make a procedural suggestion following that, I'll come to you, Mr Marchese, and others who have indicated that they would like to speak, I'll come to them at that time.

Before us is a motion to concur in the intended appointment of Mr Henry Froese and there's been a request for a recorded vote as well. Is there any debate? Seeing none, we will move to vote. All those in favour please indicate.

#### Ayes

Cullen, Grimmett, Marchese, Mushinski, Preston, Spina, Stewart.

**The Chair:** Those opposed? Unanimous. Thank you.

Mr Marchese, you had a procedural suggestion?

**Mr Marchese:** I'd like to move concurrence on all the other appointments.

**The Chair:** If I could just ensure that we have those covered, that would include the intended appointment of Phillip Sweetnam to the Commercial Registration Appeal Tribunal; the intended appointment of James McKellar to the Ontario Realty Corp board of directors; the intended appointment of Barbara Wellard to the Ontario Civilian Commission on Police Services; and the intended appointment of Gerald Huck to the Ontario Casino Corp board of directors.

Debate on that motion?

**Mr Cullen:** I don't mind speaking to all of them at once. I would ask for separation for the last appointment because I do wish to record my opposition to the last appointment. The other appointments I don't have a problem with. I want to make some comments about the appointee to the Ontario Civilian Commission on Police Services, but I am in favour of that. My concern is this procedural motion and I do want to separate. I would ask that we divide —

**Mr Marchese:** Okay. Madam Chair, just to facilitate then, move concurrence on the other three appointments and then we'll deal with that matter —

**The Chair:** With Mr Huck as a separate appointment.

**Mr Marchese:** Sure.

**Mr Cullen:** That's fine.

**The Chair:** That's agreeable. Is there any debate on the motion for the concurrence in the intended appointments of Mr Sweetnam, Mr McKellar or Mrs Wellard?

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**Mr Cullen:** Certainly the appointments that came before us are I think people worthy of appointment. That's not a problem at all. As a matter of fact, I've known one of the applicants for some time and he will do, I'm sure, an excellent job.

Just on a point that was raised on the Ontario Civilian Commission on Police Services, I thought the applicant made an excellent point about the requirement for public oversight over the activities of the police. It's not because there's something bad or evil going on there; not at all. As a matter of fact, through my observation of the police services commission in one of the finest police services in North America, if not the world, as a colleague of mine has said, I have noted that many of the cases, an overwhelming majority of the cases have been fairly dispensed with. Absolutely.

But one cannot say that everything operates perfectly. One strives for perfection. We all strive for perfection and those of us who achieve it are saints, but when we're dealing in an urban metropolis such as Ottawa-Carleton with a diverse population, with issues even within that police force, it is important to make sure that the system has integrity and that there is every ability for anyone who has been unfairly treated to exercise their rights.

People say, "No question." It's easy to say that when you are educated, well spoken, belong to the dominant linguistic majority and indeed the dominant demographic majority. But when you are not those and are not sure of your rights, then it becomes even more important because your rights are not any less reduced because you do not belong to those majorities. If you are not sure of those rights, and any system, any bureaucracy tends to mitigate away or move away from those things that threaten it, that's the most immediate natural human reaction and that's why we must make sure those additional steps are there.

It is good to know that most of these complaints are dismissed. The system is working. But it's also important to know that people have absolute freedom and ability to make their complaints. I for one know that if I'm being allowed to operate in my own corner with only my buddies on the police services commission who will look at it and they're part-time and they're not looking at this stuff, it's so much easier to sweep things under the carpet, that grey area stuff. The one area where you cannot have grey is in the enforcement of the law. That's why justice is blind.

That's why these things are important. I was very pleased that the applicant for the position made that point, and it's an important point. We just can't assume that because of our own experiences, that's the way the world is. It's not. The world is far more complex and these rights are precious. They are precious rights, something that I feel strongly about.



**The Chair:** Is there any further debate? Seeing none, I'll move to the motion put forward by Mr Marchese. Mr Stewart is asking for a recorded vote. All those in favour please indicate.

### Ayes

Cullen, Grimmett, Marchese, Mushinski, Preston, Spina, Stewart.

**The Chair:** Those opposed? It's carried unanimously.

I require a motion with respect to the intended appointment of Gerald Huck.

**Mr Grimmett:** I move concurrence.

**The Chair:** Is there discussion?

**Mr Cullen:** We are dealing with profound issues here in terms of the integrity of the process, in terms of tendering, in terms of good business practice, relating to a public agency that is obviously being subject to a lot of, shall we say, lobbying or what have you. There are many different interests competing for the lucrative contracts that this particular agency is going to provide.

I know that Mr Huck is an outstanding member of his own local community and has served it well, but I have to say I was not satisfied with the answers about the need for good business practices. When asked directly if the report that dealt with the Niagara casino would be made public — here we are dealing with the public's money, here we are dealing with integrity of the process — Mr Huck would not give us the answer that indeed it ought to be.

I think it is important that we ensure that a public agency does its work without reproach. With respect to Niagara itself, I'm sure more things will come out as things go along, but we have to make sure that due diligence is provided, due process is adhered to. On that basis, with regret, I find that we will be opposing this appointment.

**Mr Joseph Spina (Brampton North):** I take issue with that because in all fairness to Mr Huck, the candidate, he is coming into a position where he has no awareness of the actual processing of how this is taking place within the board. All Mr Huck can bring to the table is his good business practice. When Mr Cullen mentions that you have to deal with this with integrity, I think Mr Huck is prepared to do that to the best of his knowledge, to the best of his experience.

To unfairly taint him as not being able to answer how he would deal with this situation, the questions on both of the opposition members' part were phrased in such a way that he is not close enough to the situation or to the process to be able to actually answer it in a way. If he was a director, if he had been there, if he had been involved in how the RFPs were created, then I can understand the detail of the questions that the opposition members pre-

sented to Mr Huck. But in all fairness to the intended candidate, he is bringing his skill sets to the table and will not have that opportunity to reply to that question until he is at the table, until he is privy to the process. Therefore, I think the castigation or the unfair slight that is put on the candidate, on Mr Huck, is exactly that, an unfair evaluation of his position, of his skill sets.

Based on his background, based on the integrity that he has demonstrated, based on the community service and business that he has been involved with, both as a business person but also as a volunteer, I think he clearly brings skill sets to the board of directors that are needed and will be valued.

**Mr Marchese:** Briefly, I think that what we do as members is to raise questions that are of importance to us on the basis of protecting the public trust. We don't impute anything when we ask questions of people who come before us, but we raise them so that he or she is aware of the concerns we have on the basis of the concerns we think the general public has. Once he's become aware of that, that's all we can rely on.

We rely on the individual to be ethical, and I personally assume that Mr Huck is a man of integrity and ethics and that he will pursue his goal here in that way and in the interest of the public trust. I have no doubt that this gentleman will do that. So I will be supporting this —

**Mr Preston:** Call the question, Madam Chair.

**The Chair:** Mr Marchese was in the middle of a sentence when you did that.

**Mr Preston:** I'm sorry, Mr Marchese. I thought you had finished, but I just wanted to get it in there in the pause.

**The Chair:** Okay. No one else has indicated that they wanted to speak, so we'll move to a vote on this. Mr Stewart has asked for a recorded vote.

### Ayes

Grimmett, Marchese, Mushinski, Preston, Spina, Stewart.

### Nays

Cullen.

**The Chair:** The motion carries. If I may just indicate to committee members, the last round of questioning of the last witness began with the New Democratic Party caucus. Just so I've got it on the record, when we get together next week, we will begin questioning with the government caucus.

Thank you very much. There being no other business, this meeting is adjourned.

*The committee adjourned at 1120.*







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### STANDING COMMITTEE ON GOVERNMENT AGENCIES

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#### **Vice-Chair / Vice-Président**

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Mr Michael Gravelle (Port Arthur L)

Mr Bill Grimmett (Muskoka-Georgian Bay / Muskoka-Baie-Georgienne PC)

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Mr Peter L. Preston (Brant-Haldimand PC)

Mr William Saunderson (Eglinton PC)

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Mr Gilles Pouliot (Lake Nipigon / Lac-Nipigon ND)

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Mr Douglas Arnott

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of Ontario**

Second Session, 36<sup>th</sup> Parliament

**Assemblée législative  
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Deuxième session, 36<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

Wednesday 3 June 1998

**Journal  
des débats  
(Hansard)**

Mercredi 3 juin 1998

**Standing committee on  
government agencies**

Intended appointments

**Comité permanent des  
organismes gouvernementaux**

Nominations prévues



Chair: Frances Lankin  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 3 June 1998

Mercredi 3 juin 1998

*The committee met at 1004 in room 228.*

## INTENDED APPOINTMENTS

## KEN MORRISH

Review of intended appointment, selected by official opposition party: Ken Morrish, intended appointee as member, Ontario Place Corporation board of directors.

**The Vice-Chair (Mr Rosario Marchese):** I call the meeting to order. Mr Morrish, we welcome you here this morning. Each caucus will have 10 minutes to ask some friendly questions of you. Hopefully you are not too nervous. You have an opportunity to say a few words, if you would like, before the questions begin. If you don't wish to, we'll begin right away with the questions.

**Mr Ken Morrish:** First of all, Mr Chairman and members of the committee, or Chairperson, whichever you wish —

**The Vice-Chair:** "Chair" is fine.

**Mr Morrish:** I have a few notes down here and I can expand on any of those that you wish, but I'll keep it short. First of all, it's my pleasure and privilege to meet with you here today and to discuss my desire to become a member of Ontario Place.

I was first elected to municipal government in 1967 and have been a municipal representative pretty well ever since. I was elected to the city of Scarborough council and I've served as alderman, controller, senior controller, budget chief, deputy mayor, mayor. Then as Metro councillor I was deputy chairman of Metro with Paul Godfrey and also in the term of Alan Tonks.

But this last November I chose, or I guess my family chose, that I not seek election again after 30 years. It was a little difficult. I'm sure since I've been home, there have been many mornings that my wife wishes I was still a member of council. While involved in municipal government, I took great interest in Exhibition Place from day one. I've been either on the board of the exhibition board or the exhibition board of governors ever since 1968, since I first came down as the representative at Metro council.

As you possibly know, the board of control came to Metro council and I was a member on that for quite a number of years, right up to date. As a member of the Canadian National Exhibition board I served as vice-president for a couple of terms, two terms of two years.

Then I was a member of the board of governors of Exhibition Place for 10 years. As a matter of fact, I was on the first board when it was initiated by Chairman Godfrey. I was on that. George Cohon was our first chairman.

I also served on the CNE air show board and the executive, the budget review, the finance committee, the Royal Agricultural Winter Fair representative, the CNE stadium board of directors. I was a member of the stadium board from day one, long before we even had a Blue Jays team. With Paul Godfrey I visited all the major cities in the United States, I think, in chasing a franchise, which we finally did achieve at last. Then of course Labatt's were there and bought in on the Blue Jays franchise themselves. But our job was to get a team for Toronto, which we did accomplish after some time.

I've had experience on other boards such as the Grey Cup festival committee. I took care of that for a number of years when we represented Metro at, I don't know, Vancouver, Calgary, Winnipeg, Montreal. We put a float in the parade each year at that time and I was in charge of the Metro group that used to go to the Grey Cup.

Metro Toronto Convention and Visitors Association, I was a member of that board for a number of years; the Metropolitan Toronto Housing Co; the Metropolitan Toronto stadium committee, I was on it from day one. When we had to expand the stadium to get our attendance up to about 35,000 before the board of governors of the American league would approve of us, I was involved in that.

I was on the board of Canada's Sports Hall of Fame; on the board of Metro zoo since it opened in 1968; and on the O'Keefe board for about 10 years, and for about three or four years I had their budget as their analyst. Since the opening — there are a lot of other things but I think you've heard enough. If you want to question me any more, I'd be glad to give them to you.

I think that since the day of opening of Ontario Place, which was in 1971, they've always lacked — I've tried a number of times to get a direct connection to public transportation because that's a must and will be a must with an expanded Ontario Place if, hopefully, we amalgamate. That's one of the major things. Once we almost got to it, I guess it was during the Davis government, when they had some overhead thing they were going to try. We got so far as to put all the foundations in and I think they're still there. We just sodded them over, I think.



1010

We had them all in and it was planned as a loop of the grounds. It could be a ride and then it could also serve to service Ontario Place. They're still there. Whether that could be revived or not — I had at the time a motion that we would approve of it, when the province asked us to do this, on the condition that if it were successful, they would continue it to connect with Union Station downtown. That never happened because we never got beyond the footings. But I think they're still there and that could be one of the ways.

The other way that was planned was that along the waterfront, the connection from Spadina would come over and connect in. So I think that's a must.

I think amalgamation — and I've tried that too for 10 years with the board at the CNE. I kept bringing it up, being on the board, that we should amalgamate because at one time the manager of the CNE and the manager of Ontario Place I don't think even spoke. They would be all conflicting over everything. I at least got them together and I think I'll take credit for that, that they were meeting and having breakfast or doing something. But they at least got together so that they could indicate — but I won't go any more into that.

I think we're past that now, hopefully, at last, that I can see amalgamation happening, because both Ontario Place and the CNE are quite in agreement that that's the way they should go. Now that we have the trade —

**The Vice-Chair:** Mr Morrish, I don't want to slow you down, of course, because you're covering a lot of ground, but you may want to leave some time for the Conservatives to ask you one question before we move to the rotation. Is that okay?

**Mr Morrish:** Sure, I'd be glad to answer questions, whatever.

**The Vice-Chair:** All right. Mr Grimmett, there is time for one question.

**Mr Bill Grimmett (Muskoka-Georgian Bay):** Would you like us to start? I thought we were starting with the NDP.

**The Vice-Chair:** We were starting with you, actually.

**Mr Grimmett:** Oh, is that right? I'm sorry. Okay. Gary, did you want to ask Mr Morrish a question?

**Mr R. Gary Stewart (Peterborough):** Yes, I'd be pleased to ask a question. One of the things, and I don't mean this disrespectfully in any remote way, but certainly over the last number of years the CNE has not changed very much. I believe that Ontario Place hasn't changed very much. You can have the best transportation system in the world to get people to something, but if there's nothing there to see and do and change and stay with the new desires and new technology, you're not going to get them.

**Mr Morrish:** So far I agree with you 100%.

**Mr Stewart:** How do you see change in the two places to attract visitors for the future?

**Mr Morrish:** First of all, we have to amalgamate, of course. Now that we have the trade centre, which I guess is one of the better trade centres in the world and it's proven to be very successful — as you see, a lot of the

major shows are going there and there will be a lot more because some of them are desirous of going into the new trade centre, but they have contracts with others for two or three years. But I think when you see those expire they will be there, so that's a central point.

I think the two have to work together. You don't need two managers, you don't need two commissioners or whatever you wish to call them, two of the heads. Here we were paying \$150,000 a year and \$150,000 there and they weren't even talking to anybody.

I can see with the merger and with a lot of new facilities — Ontario Place already has three or four in the works now, the IMAX, and I just can't think of the different — anyway, they've got three or four now.

The CNE at the moment doesn't really have anything. We were discussing with the Maple Leafs. I wasn't altogether sold on that either. I think it was getting too commercial and we would have lost the old CNE feeling. But with amalgamation and the new things, the aquarium I'm thinking of and us with the new centre, we can come up with, as I see it, one of the best waterfront recreational areas in Canada, maybe in North America, if things go.

The governments can't fund all these things. We have to go out for proposals. You never know what you're going to get in proposals. Half of them you can throw out, as you know. But I think we have to go for proposals and that we can make it one of the greatest recreation areas and attract tourists, give them something to attract people to there. Have I answered your question?

**The Vice-Chair:** Mr Morrish, yes, you have. We get to move on. Questions from the Liberal caucus?

**Mr Michael Gravelle (Port Arthur):** Good morning, Mr Morrish. You have a very impressive résumé, certainly, in terms of your involvement with the city of Scarborough and Metropolitan Toronto and obviously many other organizations around the community, including the CNE. You are presently the second vice-president of the —

**Mr Morrish:** No, I'm not at all. As of last December 31, I am no longer. I didn't run again. It wasn't an elected position, but I was on the board as an elected member.

**Mr Gravelle:** I just wanted to be sure about that. One of the things I wanted to ask you was, obviously the directors of the CNE and the directors of Ontario Place in I guess October 1997 agreed to merge.

**Mr Morrish:** Yes.

**Mr Gravelle:** You were on the board of the CNE at that time.

**Mr Morrish:** That was handled by the board of governors. As you know, the CNE itself is just a three-week show the same as the winter fair and the rest of them.

**Mr Gravelle:** I understand that.

**Mr Morrish:** The board of governors handles all the property and all the rentals and everything and they selected three. I wasn't on the board of governors when this came up last year. I was on the board of directors of the CNE but not on the board of governors when they selected I think three from there and three from Ontario



Place. But I wasn't involved in any of their meetings or asked to go to any meetings.

**Mr Gravelle:** But I presume they came to you at some point, or at least there was a discussion. May I presume you support the proposed merger?

**Mr Morrish:** Oh, definitely. As I say, I tried to do this 10 years ago, when there was no relationship between the two at all and it was terrible.

**Mr Gravelle:** What is your understanding of where that process is at right now? I don't think the provincial government has made any public announcement as to whether or not they will approve this merger. What's your information on that?

**Mr Morrish:** I have no access to it because I haven't been to any of the meetings. But my understanding is that December 1, 1998, or January 1, 1999, is the date that's supposed to happen. I haven't heard of too much happening lately but I honestly can't —

**Mr Gravelle:** We haven't heard anything publicly about that.

**Mr Morrish:** I'm in favour of it 100%.

**Mr Gravelle:** Mr Morrish, do you see any potential conflict in the sense that you obviously have been very involved with the CNE in a very active capacity for a number of years and this merger is presumably about to take place and you are now being put on the board of Ontario Place?

I'm not suggesting anything strange. I'm just thinking that having been in the position where you were lobbying to some degree for that position, does that strike you as strange or does it strike you as totally appropriate?

**Mr Morrish:** I don't see any conflict whatsoever. I'd like to see the two amalgamate. But even if they didn't, I can't see any conflict because I'm completely off the board there now as of December 31 and the board of governors, so I don't have any connection there. I know where the downfalls are of the exhibition and I think that's a real asset to bring to Ontario Place.

**Mr Gravelle:** I didn't mean to imply that there was. It just struck me that there's this sort of fit that's taking place and your expertise will be, I'm sure, very valuable in making this merger, if it takes place, work.

Mr Morrish, as well in terms of the government review of agencies, boards and commissions that Mr Wood chaired, they made recommendations that public support for Ontario Place should entirely disappear, that there should be no more public subsidies. In other words, it should be privatized. Are you fully in agreement with that process? Do you think there should be no public financial support for Ontario Place?

**Mr Morrish:** You certainly have to have a public connection. I'm not agreeing to go out and privatize the thing at all. I think that these government — different things such as the zoo, such as the CNE, are there to provide whatever entertainment in that forum. On the O'Keefe board, that was — I'll back up a little bit. I was always happy with all these different organizations. If they could supply really good entertainment or recreation in whichever area they were involved in and break even and

not cost the taxpayer anything, that was my goal. The trouble is, you get to private enterprise and they're in there to make a buck. Lots of times they don't really care about the public as long as they're coming in and paying. I think these things, like the zoo and the O'Keefe, should be kept under government control, but try and not cost the taxpayer anything.

1020

We were making a bit of money at the O'Keefe when I was there. The big loser that we have actually is the zoo. It costs \$8 million. We have to subsidize the zoo \$8 million a year, and the Metro taxpayer is getting hooked for that. I always said that should be involved with the province too because over 50% — some 70% — of our attendance comes from outside of Metro and yet the Metro taxpayer is paying the whole bundle. They lose about \$8 million. A big part of that was that the subway was to be extended out to the zoo and on out to the airport. The goody guys killed the airport and so it never got to the zoo. We never got the attendance over a million people a year, which does not pay for it except for one year when we had the pandas. When we had the pandas, it went to a million and a half, but that was the only time.

**The Vice-Chair:** Mr Gravelle, one last question.

**Mr Gravelle:** Thank you, Mr Morrish. I must say that your concerns about privatization actually are interesting and gratifying to hear because they echo a lot of the concerns we have about privatization that we try and express to this government.

Are you in a position today to say that if you are appointed to the board, you indeed will argue in some fashion that there should remain some public subsidy or support for Ontario Place?

**Mr Morrish:** Oh, definitely. You have to have outside funds too. I don't want the government paying for all these different things that we're hopefully going to build and make it, as I say, one of the greatest recreations in North America in my mind. You're going to have to have private funds there to construct these, but the control I'd like to see remain, and I'm sure that the public are getting a much better —

**The Vice-Chair:** Mr Christopherson.

**Mr David Christopherson (Hamilton Centre):** Thank you, Mr Morrish, for attending today. I listened with great interest to your answers and, quite frankly, feel comfortable with the vast majority of what you had to say, so I may not have a lot of questions.

I would ask if you would just expand a little in your own words for the record on the relative importance that you place on the need for government, whether it's provincial or local, but government as an entity, to ensure that places like Ontario Place and other such facilities that you've already said need to be kept in the public domain in terms of control — specifically your thoughts on the need to keep these affordable for all of the public and not just those who have the discretionary income to pay whatever the going rate is. Could you just expand on how important you think it is, or if you don't think it's import-



ant, but the relative importance you would place on keeping these public facilities affordable for all of the public?

**Mr Morrish:** That's one of the big battles, and always has been, to try and keep them affordable so little Joe with a family of four or five kids can afford to go. There's no use having these great facilities if they can't afford to partake in them. That's always a problem.

That's difficult to answer, but I certainly have always been in favour of keeping the admittance to the zoo and to the Exhibition — we have a \$16 one, or they have now. I shouldn't say "we." It's no longer "we"; it's "they." But that's very important, to try and keep those down, and yet you can't load too much on the — the one way of doing that is to load it on to the tax bill, but I don't agree with that at all either. There's a maximum there that people can pay.

But to keep them to a minimum as much as possible, I certainly agree. I've had calls from people who say, "I have five kids, and by the time you go to McDonald's and a few other side things, it costs \$100," and they just don't have \$100 to do it. I agree with keeping them as low as possible.

Parking helps us a lot. That's the big thing. That helped us a lot at the Exhibition. When we had the Blue Jay parking and we lost the Blue Jays and the Argos — not so much the Argos, but the Blue Jays — we lost an awful lot, and that helped to keep that down.

I don't know whether I've answered it enough or you want more.

**Mr Christopherson:** Just further to that, in the scheme of other public services, where would you rank cultural activities like this in terms of all the other services that governments, provincial and local, provide? Do you think it has high importance?

**Mr Morrish:** Oh, yes. I think this type of thing is very high, to try and provide the public with this type of recreation or service that we're talking here or, as I say, in the case of the zoo. To me it's very high, but it has to be done realistically within — you just haven't got a financial bundle. And yet, as you mentioned, it's very important that you keep those prices down so that everybody can participate and not just a few.

It's not like the Raptors. If you want to pay 100 bucks for a seat, good luck to you, but this other should be made available, these other facilities.

**Mr Christopherson:** Having been a former alderman myself, we've struggled in the trenches. I appreciate that you've had that experience, because that really is where the rubber hits the road in terms of weighing these things out.

Hypothetically speaking — and I recognize the limitations on posing a question that way — what if you were faced with increasing fees to the point where you knew it was affecting affordability, especially for low- and modest-income families, versus an increase in overall taxes to prevent that? I realize it's difficult to say which way you would go without knowing the circumstances, but just to help me in my comfort level with what you've already stated, which way would you go? I'd like to hear,

ideally, because there is a philosophical gap between where the government would see a question like that and where we in the New Democratic Party would see it, but if you're not able to do that, at least what sort of things would you be weighing out as you looked at those two factors?

**Mr Morrish:** As I say, there's a happy medium there that you have to try and strike, and until I saw all the figures of what we're talking about both ways, that's a difficult thing to answer. I wouldn't like to say —

**Mr Christopherson:** Would you rule either —

**Mr Morrish:** You're talking about additional transportation, overhead or whatever, and that would have to be absorbed in the overall TTC transportation budget of now the city of Toronto, and it's not just a little thing. It would have to be part of their budget, and I just can't answer. I know what position their budget is in now, and to add something else to it — but to me it's high priority because you're going to increase attendance, there's no doubt. With increasing attendance, you're increasing the revenue. Therefore you're gaining there and you're losing there. So it's difficult without seeing —

**Mr Christopherson:** It's always a difficult balancing act. There are members of the government benches who would under no condition do anything that might increase a tax rate regardless of the impact on the accessibility and affordability of cultural services. Is it fair to say that that's not your position or, if it is, could you expound on it?

**Mr Morrish:** Well, no. I'm the last one to increase taxes. As the budget chief, I insisted in Scarborough that we keep a zero increase for quite a number of years, and so we'd have to cut some project to make it fit.

**Mr Christopherson:** A lot of that depends on growth.

**Mr Morrish:** So therefore it would be the same here. Maybe you'd cut an extension to Spadina — not Spadina, but Yonge Street or something. You have to take your priorities, whatever you feel the priority is and what the TTC —

**Mr Christopherson:** Am I hearing you put a great deal of emphasis on that line of tax increases? How strongly do you feel about the idea, in order to maintain accessibility and affordability of public cultural places like Ontario Place, of raising taxes? I know there are members of the Tory government who would just say, "Under no condition," and that's their philosophical position and they're entitled to it. But I'd like to know how strongly you feel about that line.

1030

**Mr Morrish:** The last thing I wish to do is raise taxes. As I say, you have to adjust your priorities. Maybe this would be a high priority. I go back to the transportation thing, which I assume that you're mainly speaking of.

**Mr Christopherson:** No.

**Mr Morrish:** With anything, as I say, the last thing I want to do is — we have lots of small businesses, and what's going to happen under this new tax thing I have no idea. But even before that, they were just hanging by their fingernails. Another increase in taxes and they're closing



the door. If you don't have the little mom-and-pop things, that's your whole community.

**Mr Christopherson:** But by the same token, you're acknowledging that the idea that Joe, as you called him, and his family sitting at home in the sweltering summer because they can't afford a cottage, they can't afford a vacation and now they can't afford to go to Ontario Place is unacceptable. I'm a little uncomfortable with your last couple of answers, sir, I must tell you. That sounds to me like getting very close to the idea that not raising those taxes is a bigger priority than making sure there's accessibility and affordability to public services like Ontario Place.

**Mr Morrish:** You have to balance. I certainly voted for increasing taxes, but my priority is not if there's any way around it in adjusting whatever you have, different areas. I just don't know how to put it. Just give me a minute. Anyway, adjusting your priorities.

**Mr Christopherson:** But once you've done that year after year — we've seen shrinking dollars available to Ontario Place and other public facilities for years and years. As you well know, those kinds of tinkering around the edges are no longer available.

**Mr Morrish:** I'm saying here that a lot of these facilities and Ontario Place should be done by private money, not public money. A lot of these, you go out for bids and you get all kinds of things. I think you can have a lot of these built that you don't have to put any public money in at all.

**The Vice-Chair:** Mr Morrish, thank you very much. We ran out of time and questions. We thank you for coming today.

**Mr Morrish:** Is that it?

**The Vice-Chair:** That is it, half an hour. We're going to move on to the next appointment.

#### CHISANGA PUTA-CHEKWE

Review of intended appointment, selected by official opposition party and third party: Chisanga Puta-Chekwe, intended appointee as chair, Ontario Rental Housing Tribunal.

**The Vice-Chair:** Can we ask Mr Puta-Chekwe to come forward. Good morning. You've obviously listened to the process and you have a good sense of how it works. We normally ask the appointees if they have some comments to make, and we want to offer you that opportunity. If not, we'll go on to questions immediately.

**Mr Chisanga Puta-Chekwe:** Yes, I would like to make some comments. I would like to start by simply suggesting that I feel quite strongly that I am well qualified to head the Ontario Rental Housing Tribunal, and I offer three reasons immediately as to why I feel that way.

First, I think I have the right academic background; second, I think I have the right professional and managerial background; and third, I have experience running a crown corporation.

In terms of my academic background, I read law at the universities of Birmingham and London. That's a bachelor

of laws and master of laws degree. Then I went on to read philosophy, politics and economics at Oxford.

In terms of my professional background, I have managerial experience in the private sector, the public sector, and of course the non-governmental sector as well.

In terms of specifically running a crown corporation, I was a member of the Criminal Injuries Compensation Board from 1991 to 1994, and then chair from 1994 to 1997. That was quite an experience; it was quite revealing. I think I ran the board with imagination, innovation and compassion.

When I got to the Criminal Injuries Compensation Board, I was told that it was very difficult to control costs because the program was an open-ended one. That was simply an explanation that I refused to accept, and indeed we did demonstrate about two years later that even the Criminal Injuries Compensation Board could operate within budget and, more than that, actually make a saving. At the same time, we increased the number of cases that we were able to process and also cut the backlog by 60%.

Those are the comments I would make by way of opening remarks.

**The Vice-Chair:** Thank you very much. We're going to begin with the Liberal caucus members' questions.

**Mr Alex Cullen (Ottawa West):** Thank you very much and welcome to the committee. It certainly was a pleasure reading your résumé here. It's quite impressive.

May I ask how one moves from the Ontario Criminal Injuries Compensation Board, which was an appointment by the previous government, and how you find yourself in this position here?

**Mr Puta-Chekwe:** I was told that the position was coming up. A few people who knew me tried to interest me in the position, and the more I thought about it, the more interested I became, and I put in an application. That's why I find myself sitting before you today.

**Mr Cullen:** I'm sure you have noted that this tribunal is being set up to replace the protection afforded to tenants under the Landlord and Tenant Act, and I'm sure you know that's one of the oldest pieces of legislation. It's been around for a long time, as long as there have been landlords and tenants, one would think, and it has a tremendous amount of case law and all that behind it.

The purpose of setting up the housing tribunal is, of course, to expedite the backlog. There is some concern, and I'd like you to address this, that the standards by which evidence was presented and the case law that's been developed under landlord-tenant may be lost or may be set aside to simply expedite the resolution of cases. Perhaps you have a comment on that. You're going to be running this thing and it's clear you're going to be setting down the standards by which the tribunal is to act. How cognizant are you going to be of what has happened in landlord-tenant?

**Mr Puta-Chekwe:** Firstly, if I were chair I would make sure that the standards weren't compromised. My second comment would be that the legislation, the Tenant Protection Act, is quite specific, quite extensive, and tends to encourage adherence to certain standards. I really don't



see that as a structural problem; I see it as a problem that can be resolved through good management and adherence to the legislation.

**Mr Cullen:** The members of your tribunal, of course, are being chosen by the government. They're not judges, and that's what the Landlord and Tenant Act was adjudicated by: judges that had a representative from the landlord, a representative from the tenants' association, usually a neighbourhood legal service or something like, sometimes their own individual. Here you'll be dealing with laypeople who are taking over what used to fall under the law. What will be your approach to that to make sure we don't lose the good reputation, the good law that was there under landlord-tenant?

**Mr Puta-Chekwe:** Firstly, I think the majority of the members actually have extensive legal training and many of them are qualified to become judges, although, of course, you're quite right that none of them are judges at this moment in time. That's a resource that we should use quite freely.

Secondly, every decision, I think, is subject to review by an in-house vice-chair who is a very well qualified lawyer as well. I think we can again use that resource to ensure we are maintaining standards and that we aren't doing anything that is prejudicial either to the interests of the landlord or the tenant.

**Mr Cullen:** Besides the usual things that come up in landlord-tenant disputes, this act opens the door to new areas. One of the concerns that came up from my community — I live in Ottawa; you live in Gloucester. We all know that Ottawa-Carleton has a lot of rentals.

There are two aspects. One is the ability for the landlord to negotiate minor capital repairs with the tenant — that is new — and then that part of the act that speaks to harassment. The concern expressed by many tenant organizations is that this ability to negotiate, because the minor capital renovations are a cost to the landlord, opens the whole door to an area of dispute and that will be related to the issue of harassment. Harassment is new; this area is new. The name of the act, to set this up in the Newspeak of this government, is the Tenant Protection Act. We're concerned that there's going to be a lot of activity here and a new area to set policy. What are your views on this?

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**Mr Puta-Chekwe:** I actually don't think there is that much opportunity to set new policy or to legislate through the back door, and I certainly would not encourage that. What I personally find, reading the Tenant Protection Act — I don't claim at this point to be an expert; I think it's going to take time before we know how it actually works in practice. One is going to need much more experience before one can get anywhere close to being able to claim that one is an expert on the legislation.

My reading of the legislation at the moment suggests that it's extremely balanced. You talk about harassment. There is a specific provision in the legislation that prohibits harassment of tenants. If I became chair, I would interpret that provision very carefully to the advantage of

the parties, but also being faithful to the intention of the Legislature.

Certain doctrines like distress have been abolished. That is to the tenants' advantage clearly. Many tenancy agreements have a provision in the event a default by the tenant results in the tenant being liable to pay rent for the remainder of the term. Those provisions would not be valid under this legislation. So as is the case in all legislation that appears to be balanced, there is something for landlords to be happy about, but there is also something for tenants to be happy about. The other side of the coin is that there is a great deal for both of them to be unhappy about.

**Mr Cullen:** Just talking about this new area, up to now there was a standard that landlords had to meet in terms of the provision of services under their lease. Now, with this opening of the door about minor capital repairs and the ability to negotiate something, if you want to get that screen door fixed, you have to pay this fee. Then the negotiation starts and there is no resolution and it comes to you. Where does one cross the line if your screen door isn't fixed, you can't get your stove repaired properly and it only functions partially, and you continue to have that loud sound from your refrigerator? At what point does this continual resistance to honouring those standards, which previously were there and there was no argument about it — they could get those rights enforced under the Landlord and Tenant Act, but now it's open to negotiation. How does one develop standards therefore to say, "Is this harassment or not?"

Typically, if you make life unpleasant where you live, you look for something else, and landlords know this. It's a means of making life unpleasant so people go someplace else. It's that boundary line I'm looking at.

**Mr Puta-Chekwe:** I don't think the standards are compromised. Again, the legislation is very clear as to the kinds of standards that must be adhered to. Indeed, one of the things that can be done is to issue a work order to compel the landlord to carry out necessary repairs that will bring the dwelling to the required standard. I really am not concerned that the tribunal is going to become a Legislature.

**Mr Christopherson:** Thank you for your comments this morning. It's a very impressive résumé. I want to ask the Chair at the outset if he could let me know when there's one minute left, because I'm going to take advantage of being in this position to ask you about your experience with the South African election. I'm just not going to let that go by. I'd love to hear at first hand from you. That will be my last minute.

To the job at hand, the first thing I'd like to ask you is just in general terms, how do you feel about the concept of social housing and how do you feel about the notion that society has an obligation, especially in a free market enterprise, to ensure that all of its citizens have access to decent, affordable housing? How do you feel about that?

**Mr Puta-Chekwe:** I feel that's consistent with the idea of a state that provides a safety net. You cannot provide a safety net just in purely cash terms. There are other things



that have to accompany that, and I think provision of housing to a certain minimum standard is an ingredient of that safety net.

**Mr Christopherson:** Just in general terms, speaking of real dollars, because that's what matters at the end of the day, how much should the collective society provide through the tax system to ensure that this type of housing is available, if indeed the private market is not able or willing to do so?

**Mr Puta-Chekwe:** We have economic indices that will show us clearly what's required to maintain a sustainable and civilized lifestyle. We should use those indices to determine at any one particular time how much is required to be invested in social housing. One of the dangers would be to indicate in advance how much is going to be required, say, six months or a year or 10 years down the road. I think we have to be very current. We have to use the economic tools at our disposal to determine what is consistent with the maintenance of a viable democratic and civilized society.

**Mr Christopherson:** The current Minister of Municipal Affairs and Housing early in his term stated in the House that the Harris government was — I'm paraphrasing — out of the housing business and proud of it. How do you feel about that statement vis-à-vis what you've already said about the need for social housing?

**Mr Puta-Chekwe:** I haven't yet declared my intention to run for Parliament, so I'm not sure if I'm qualified to comment on that point. All I can say is that as chair of the tribunal, I don't see any evidence that the state is out of the business of public housing.

**Mr Christopherson:** I was fine with you till the last point. If you check the record I think you'll see that the government's very clear about the fact that they are out of the business and they're very proud of it and they don't see themselves as having a role. But I don't disagree with your position that not being an elected person, you're not going to comment. I accept that.

How do you feel about the notion of rent control, just as a concept, as a tool by government to ensure that even privately owned housing stock is available to all its citizens?

**Mr Puta-Chekwe:** Obviously, rent control is an attempt to make housing affordable, particularly to low-income people. Whether it's a prescription for all time I am not certain. I know that from time to time it has been used in various jurisdictions — the United Kingdom, Ontario and so on. If the idea is to ensure that the housing that's available is available at the lowest possible cost, then obviously I agree with that idea. But I don't think it's a prescription for all time and under any circumstances.

**Mr Christopherson:** So there are conditions where you would be comfortable with totally removing rent control? Is that a fair interpretation of what you said?

**Mr Puta-Chekwe:** If rent control became destructive, if rent control resulted in a shortage of housing space, for example, if rent control meant that you were having rent paid under the table, yes, in those circumstances I would revisit it and revise it. But I'm not prepared to say that it's

something I would rule out or, on the other hand, that it's something that's good for all time and in all circumstances.

**Mr Christopherson:** Would you be familiar with the British Columbia experience?

**Mr Puta-Chekwe:** No, I'm not familiar with the British Columbia experience.

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**Mr Christopherson:** Another question: The research paper provided by our staff here at the Legislature shows that opponents to this legislation made the case that, "The ministry's own research," meaning the Ministry of Municipal Affairs and Housing, "indicates that about every five years, roughly 70% of all tenants move." We know that this law is basically vacancy decontrol, meaning that once someone vacates an apartment, the rent controls are lifted, which means that within five years you could have a turnover of 70% of all units that could truly be removed from the current rent control requirements.

I'd like to link that with the fact that there now is an income requirement; there's a ratio of 30% of your income to the projected rent that you're looking at paying, and the 1991 census showed that — again reading from the notes — "one third of all rental households (or 430,000) paid more than 30% of their income as rent; 15%...paid more than 50%."

What this is telling us is that it's likely that over a five-year period 70% of all rental units will fall out of rent control, and we also know that one third of the population would not qualify because of the new income threshold for a lot of units. My question to you would be, where would these people go and what obligation does society have to make sure they have somewhere to go?

**Mr Puta-Chekwe:** First, I'm not certain that's going to follow and I'd also make the point that the legislation itself does not set that ratio. The legislation, if you're referring to section 36 of the Tenant Protection Act, talks about one of the criteria being income information. That's just one of the criteria. From my point of view as prospective chair, all I can say is, if it appeared to us that a prospective tenant had been denied tenancy on the ground only that his or her income was below a certain level, I would consider it legitimate to inquire into those circumstances, and if it appeared to us that that tenant could actually be a reliable tenant in terms of paying the rent and adhering to all the other covenants, I think it would be appropriate for us to make an order enforcing that tenancy.

**Mr Christopherson:** I'm pleased to hear that.

**The Vice-Chair:** Mr Christopherson, you're going into your last question.

**Mr Christopherson:** Yes. I'm taking crass advantage of this opportunity.

Please tell me a bit about what it was like with the South African elections.

**Mr Puta-Chekwe:** There is a great deal to tell. Actually, I heard from my publisher only two days ago and the book is coming out in the summer. I'll make sure that I send you a copy.



**Mr Christopherson:** I'd better watch it. I'll be the focus of the Legislature for receiving gifts in an inappropriate fashion. I will definitely look for the book. Thank you very much. I know you have a distinguished career already in public life and I have no problem supporting your candidacy here this morning, sir.

**Mr Puta-Chekwe:** Thank you very much.

**Mr Grimmatt:** Mr Puta-Chekwe, I wanted to ask you about some of the challenges the tribunal will be facing. There has been some speculation in the media that immediately upon the tribunal commencing work it may have a heavy workload. I understand from reviewing the material we received that you've had an opportunity at the Criminal Injuries Compensation Board to test your skills, as it were, at dealing with backlogs; also at perhaps bringing in some innovative ways to deal with the pressures.

One of the concerns the public has with any aspect of the judicial system is in Ontario it's very difficult to get timely hearings. I wondered if you had any comments, given that the tribunal is going to have some opportunities to be flexible in the way it deals with the people who come before it. I wonder if you could perhaps give us some ideas on how you see this new tribunal dealing with possibly a heavy workload.

**Mr Puta-Chekwe:** We have an opportunity here in the sense that we have a new tribunal, and therefore we aren't inheriting past mistakes. We have an opportunity to set up a system that can work effectively in the future. So I think the first thing to do is to talk to all the members, all the adjudicators and mediators, and ask them the question: "What are we here to do? This is our mandate. Let us not stray and get involved in things that we shouldn't be involved in. Let's focus, let's concentrate on our mandate."

The second thing to do is to set standards immediately. For example, obviously I'll listen to advice, I'll listen to the members, but I would like to suggest that every member should commit herself or himself to writing decisions within two weeks of hearing the case. If you do that, you won't develop a backlog.

**Mr Grimmatt:** I wonder if you've had the opportunity to speak to other people in the Ontario public service or people who are involved with government agencies about that particular approach. Have you talked that over with other chairs? Because it could be that you have some ideas other people don't know about.

**Mr Puta-Chekwe:** I was a fairly active member of the Circle of Chairs when I was chair of the Criminal Injuries Compensation Board, and I spoke to fellow chairs about how this could be done, and of course I spoke to my own members.

The approach has to be different if one were looking at part-time members or full-time members. In many ways, part-time members are easier to discipline because you simply say to them, "Look, once you build up a backlog of, say, five cases outstanding for more than three weeks," assuming you'd give them a one-week grace period, or it might even be a month, we're still within the acceptable range — "you just will not be scheduled; you won't hear any more cases." So they're easier to deal with in that

sense. But the full-time members, you make the same threat to them and they have free time for which they are paid. In the case of full-time members, I think what should be made very clear from the outset is that if there is a backlog that I find intolerable, in accordance with rules that have been stated clearly in advance, then I will not hesitate to go to the minister, if need be to the Premier, and ask for a revocation of the order in council. You have to be that firm. If you aren't, things will become lax, backlogs will build up and the whole situation will become intolerable.

**Mr Grimmatt:** Can I ask you about the other innovative options you might try instead of a full-blown hearing, such as mediation? Have you given that much thought?

**Mr Puta-Chekwe:** Yes. This act is innovative in the sense that it recognizes mediation. The advantage of mediation over adjudication is that each party not only has a vested interest in the outcome, but is enthusiastic about it. They feel that they are part of the process, that they own the process. Therefore, things tend to move more quickly when you're mediating rather than when you are adjudicating.

Specifically, you tend to have fewer adjournments when you are mediating, so the more cases you can mediate, in my view, the better. But of course you won't be able to mediate everything. However, you can reduce the number of cases that are actually being adjudicated and thereby reduce the number of adjournments you're having to make, and thereby reduce the length of time it's taking to clear the general backlog.

**Mr Grimmatt:** I apologize that I'm not familiar enough with the legislation to say for sure whether you are allowed to impose costs on the parties. Are you aware of that?

**Mr Puta-Chekwe:** Yes, I think we can fine them. I'm certain of course there is a fee as well, but my recollection is that there was provision for costs on the parties.

**Mr Grimmatt:** Do you see most of the people coming before your tribunal as being represented by counsel or not?

**Mr Puta-Chekwe:** Initially, in the early stages, a number of people will be represented by counsel, but as time goes by my expectation is that the majority of the people will not be represented by counsel, because my hope is that the procedures we shall develop will be user-friendly, formal in the sense of having a structure, but also quite comfortable, and people will feel comfortable to come to the tribunal without representation by counsel. I think as time goes by you'll see more and more people coming alone and having the confidence to pursue their cases on their own.

**Mr Grimmatt:** Thank you, sir. Those are all the questions I have. Any other government members have questions?

**The Vice-Chair:** Thank you, Mr Grimmatt, and thank you, Mr Puta-Chekwe, for coming. The questions have ended.

**Mr Puta-Chekwe:** Thank you very much.



## SIR GRAHAM DAY

Review of intended appointment, selected by third party: Sir Graham Day, intended appointee as member, Ontario Hydro board of directors.

**The Vice-Chair:** We invite Sir Graham Day to come forward. You've been part of this process, at least in terms of listening to how it works. We have given every member the opportunity to say a few words prior to questions from the various members, and I'd like to offer you that opportunity, if you wish.

**Sir Graham Day:** Thank you very much, Mr Vice-Chairman. Ms Churley, gentlemen, good morning.

My understanding is that each of you has received a note of my background, so I assume, subject to your questions, I don't have to provide that.

To perhaps supplement in part the information you have, I retired five years ago. I was 65 last month and I had long since determined to stop full-time working when I was 60. I returned from England to Nova Scotia, where I was born and raised. I live in the Annapolis Valley in a small town called Hantsport.

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I worked in the UK for two periods totalling 16 years. The gap in my CV would be accounted for by the fact that I taught in the graduate business program at Dalhousie University in the late 1970s, early 1980s. I taught international business, business strategy, and transportation. Before I went to the UK, I practised law in Nova Scotia and then worked for Canadian Pacific in Montreal and here in Toronto. I'm a member in good standing of the bars of Ontario and Nova Scotia.

I know Frank magazine is published in Ontario, as it is indeed in Nova Scotia, where it started. For that reason, you should know that I've been married for 40 years this month, to the same wife.

**Mr Gilles Pouliot (Lake Nipigon):** And she to the same man.

**Sir Graham Day:** So she tells me. I have three children and three grandchildren.

You may or may not be interested to know that I did not seek this appointment, that I don't know what it pays. The chairman merely said to me, "Graham, it's much less than what private sector companies pay."

I am not, nor have I ever been, a member of any political party in Canada.

**The Vice-Chair:** That takes care of the first question.

**Sir Graham Day:** I have made contributions. They've been fairly catholic in disposal, largely supporting individuals, not parties. I was until last year a dues-paid member of the Conservative Party in the United Kingdom.

I was interested in Mr Farlinger's suggestion that he propose my name to the Premier for a mix of reasons. I believe Ontario Hydro is important not merely to Ontario but also to Canada. You can't live outside Ontario without recognizing that, as so much of the manufacturing and industrial base of Canada is in Ontario, one can say to a large extent, "As goes Ontario, so goes economic Canada." Of course, Ontario Hydro being positioned in

the energy sector, which I increasingly view as a continental question and not a provincial question, let alone a Canadian question, I think it becomes very important to all Canadians.

The structure changes proposed by the government interest me. I think they're important, and I have the luxury of considering things that do interest me. Of course, the complexities of Ontario Hydro and its present financial situation interest me because I am, and have been, very interested in the problems of very large corporations for some time.

I do believe that on the basis of my background, I hopefully will be able to make a contribution, sir.

**The Vice-Chair:** Thank you for the opening remarks. We'll begin with the NDP caucus.

**Ms Marilyn Churley (Riverdale):** Good morning, and thank you for coming to join us this morning. I appreciate your opening comments.

How much time do I have?

**The Vice-Chair:** Ten minutes.

**Ms Churley:** You did answer some of my questions; for instance, who approached you to join the board.

**Sir Graham Day:** Yes, Mr Farlinger.

**Ms Churley:** I just wanted to ask you about your background. My information is, and I think it's very clear in your résumé, that as chairman of PowerGen, you led the company's privatization.

**Sir Graham Day:** Yes, ma'am.

**Ms Churley:** And earlier you led both the Rover Group power company and British Shipbuilders into privatization as well. Is that correct?

**Sir Graham Day:** That's correct.

**Ms Churley:** I would say it's pretty obvious that you're a privatization expert. Did Mr Farlinger say anything to you at all about your background when he approached you? Did he talk to you about privatization and where this government might be going with Hydro?

**Sir Graham Day:** No, he did not. Yes, he does know my background, but he has not discussed with me the matter of privatization, either in the context of Ontario Hydro or otherwise.

**Ms Churley:** Did he have a discussion at all with you about why he was asking you to sit?

**Sir Graham Day:** No. There was an earlier conversation when he was interested in the UK experience, not so much in privatization but in the progressive creation and emergence of a competitive market, things like, "If the privatization of the electricity sector in the United Kingdom had to be done again, what changes do you think might have been made, and did they make any changes en route?" So he was interested I think in the process not so much of privatization but of the injection of competition into the market.

**Ms Churley:** I see. I have a bit of a personal question to ask you here. You said at the beginning you didn't know how much you'll make as a result of this appointment, but I do know that share prices in PowerGen went up by I believe about 218% between privatization and



1996. That's according to the Economist, anyway. How much did you make out of that?

**Sir Graham Day:** I organized my contract so that I had no share options and my chairman's salary was fixed, flat, for three years. The reason for that was that in the circumstances, if one is trying to be effective in a change situation, you want to be in a position — I wanted to be in a position where I didn't have to defend a financial gain.

**Ms Churley:** I appreciate that comment. I think it's an important question.

Britain's electricity privatization, as you know, has been criticized for, among other things, the very serious level of corporate concentration that resulted. I know that some independent power producers have expressed concern here that the same thing could happen. Could you comment on that?

**Sir Graham Day:** It went from 100% concentration to a very significant breakup, for example, on the generating side, into three companies — two fossil-fuel generators and the nuclear side — and progressively, independent power producers have been introduced into that market. The original two fossil-fuel generating companies, National Power and PowerGen, were required — and I'm using the word "required" in quotes — to divest some of their capacity to other concerns. The capacity has been initially spread over three, then seven, then eight, so I fail to understand totally any concern of independent power producers that they haven't had access to the market. You and I could go into the UK tomorrow and enter that market.

**Ms Churley:** I'm sure I'm almost up. I'd like to explore that, but I don't have time.

I want to ask you this: The price of electricity rose for most customers for the first three years of privatization. It's my understanding that that was reversed after the price caps were put on generators, and privatized companies have to pay dividends to shareholders as well as ensure that the share price keeps going up.

I would really like your honest opinion. Do you think privatization of Ontario Hydro would yield substantive decreases in the price of power for the average customer, given what happened in the UK?

**Sir Graham Day:** First of all, the prices rose in the UK for some commercial and some industrials because they were being cross-subsidized the way the previous structure, which was unregulated, had occurred. So their prices rose, as you say, for the first couple of years.

The prices for the average citizen, through the distribution companies, were flat or declined, and against the retail price index over five, six or seven years did decline. There weren't necessarily price caps, because it was a competitive pool. Such rate regulation as was introduced, because it was incentive-based, not a rate-based rate of return, tended to be in the distribution end, not on the generating end, since there was competition there.

Do I think privatization would benefit Ontario? I think, like getting to Dublin, you wouldn't necessarily start from here. I think there are some impediments to privatizing

Ontario Hydro, and I'm looking at it from the outside, not the inside.

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As it presently stands, simply because you have at least two very different situations, maybe three — you have the generating side, and that breaks into two parts, the nuke and non-uke, and let's add the fossil fuel and the hydro. That, if you so chose, you probably could sell. As the UK experience indicates, it took perhaps 10 years to bring the nukes to the market. However, faced with the current debt levels, one could certainly dispose of the transmission and distribution, being in a regulated environment, and it would be, as it almost undoubtedly will be, in my view, a common carrier. The proceeds of that could, I believe, fairly substantially pay down some of the debt, which of course the province has guaranteed. If I were a citizen of Ontario, I'd worry about that.

**Ms Churley:** You don't think it makes sense to sell off the nukes to British Energy or anybody else?

**Sir Graham Day:** Pardon me?

**Ms Churley:** You don't think it makes sense to sell off the nukes to British Energy?

**Sir Graham Day:** I didn't say that. I said it's more difficult.

**Ms Churley:** I see. Sorry.

**Sir Graham Day:** You may be aware of a sale to British Energy; I'm not. All I'm aware of, and I'm relying solely on the media, including in the United Kingdom, is that British Energy is "interested" in the possibility of some association with Ontario Hydro on the nuclear side.

**Ms Churley:** I wish we could go on, but —

**The Vice-Chair:** Mr Pouliot, if you have a comment or a question, it'll have to be very short.

**Mr Pouliot:** I just have a very short question, and I too wish to echo my colleague's sentiment. Welcome.

Sir Day, you use the mechanism of the footsie, by way of flirtation, in order to make the sale possible. You are aware, on the other hand, of the liabilities of Ontario Hydro. You're also familiar with their cash flow, with their revenue.

If we were to talk about debt-equity ratio, you go back to PowerGen plc. How would you parallel the debt-equity ratio of PowerGen plc by the time they enter the exchange, by the time they get listed, to what you know with Ontario Hydro, which mainly is a \$32-billion liability, as you are well aware, plus the \$6 billion to \$8 billion which will be necessary to upgrade the nuclear facilities?

From the time you listed shares, you printed shares — common and, I would assume, preferred — were there any more shares hitting the market as the process took place? Because I see there was a capital appreciation of more than 200%, but this is not uncommon, depending on the fluctuations, on the sector that you're in. My question is debt-equity ratio, this situation in Britain and our situation here today.

**Sir Graham Day:** The Central Electricity Generating Board was not in a loss position at the time it was broken up. There was debt. The debt was, I think, relatively



modest, and the British government secured proceeds from the privatization in three ways.

First of all, some debt was transferred; fresh debt was injected. Proceeds on the first flotation accrued to government. Government retained 40% for a period of years, then sold the 40% into the market, which addresses your second question, and the government received more money on the sale of the 40% per share, much more, than it did on the sale of the original 60%.

I would say also they made much more money on PowerGen than they did on National Power because I would say that my managerial colleagues managed better.

**Mr Joseph Spina (Brampton North):** Thank you, Sir Graham, for coming to share this time with us today and also to face the scrutiny. I just want to make a comment with respect to my colleague from Lake Nipigon. "A short question" is always an oxymoron for the member, but we always enjoy his colourful comments. He's also very insightful, so I don't take that away from you, sir.

Are you familiar with the government's white paper on electricity, Sir Graham?

**Sir Graham Day:** I read it, yes.

**Mr Spina:** What are your views on its proposed directions?

**Sir Graham Day:** I think it should be a long-awaited first step. I say a first step because to take any integrated, very large organization and divide it into its component parts is an undertaking by and of itself. I think it's an important first step because it will set the basis, I hope and believe, for competition in the market. I think competition is not only important because it will create a fair market price, but that it will give Ontario industry and business a more competitive rate than perhaps it has enjoyed over recent years. That is in the future but I think that envisaged structure is the first and essential enabling step.

**Mr Spina:** So the long-term perception, if I read you correctly, is that the more competitive environment that could result through this process over whatever period of time would be better for the consuming public than a government-dominated monopoly, which it currently is?

**Sir Graham Day:** I believe so and there is, I suggest, a parallel in Ontario, which is the gas business, where there is competition. I suggest, sir, that the average Ontario citizen has benefited from that. But also I believe implicitly that we are moving very, very rapidly to a continental energy situation and generating sources wheeling across North America will also impact on Ontario, and therefore Ontario, I believe, must have a structure which can take advantage of that opportunity for its business and for its citizens. This structure progressively would create that situation, I hope and believe.

**Mr Spina:** In view of that, would that make it critical that these changes begin?

**Sir Graham Day:** Yes, and I always believed that when you're going to do something quick is good, slow is bad.

**Mr Spina:** Thank you very much, sir. I wish you well.

**Mr Cullen:** Thank you, Sir Graham, for coming here. You talked about how much you were enjoying retirement

in the Annapolis Valley and yet we find you here today. You can see the nature of the challenge. Looking at your resume, it's clear you can meet this challenge. My question to you is, this is going to be a very large and complex file. It's going to require a lot of time. Is that your take on it as well? It's certainly my expectation. It that yours?

**Sir Graham Day:** I have no present sense of how frequently the board meets, the kind of information that's made available, so I can only seek to draw parallels from other situations where I've worked or companies where I presently sit on the board, all of which of course are private sector. My wife jokes and says that if I wasn't retired, I wouldn't have time to do all these other things. But I'm in Toronto very regularly, up to three, four, five times a month.

**Mr Cullen:** So you feel confident about that. That's good.

When this utility was founded about 90 years or so ago, Sir Adam Beck said the purpose was to provide the citizens of Ontario electricity at cost. Is that a principle that you would uphold?

**Sir Graham Day:** I doubt whether that principle can be upheld, in the sense that "at cost" implies no return on capital employed for anybody, government or independent shareholder. I believe private capital is important to secure. I think you develop through the use of private capital and private capital requires to be rewarded.

**Mr Cullen:** Yes, I'm very well aware of that but —

**Sir Graham Day:** So taking supply at cost at its literal base, if you would include, for example, payment of dividends or pseudo-dividends to government or other shareholders as part of the cost, then I could probably buy Sir Adam's proposition. But if it is only at production cost, then I don't think so, because you also have to provide moneys for future development. They can't all be borrowed, as I suggest the current record of Ontario Hydro should indicate.

1120

**Mr Cullen:** The debate that your board is going to be entering into — it's one thing to deal with structural change to make the utility more efficient, and of course we see the white paper and the steps towards privatization, but we have yet to grasp the nettle on Sir Adam Beck's proposition. For the taxpayers of Ontario, who have invested in this, have made a humongous investment in this — and we can talk about the rates of return and what notional measures are used by Hydro. My background is economics. I know there was tremendous criticism of the assumed rates of return that Hydro did in calculating its major capital projects, but that's another story. But we're talking about the provision of electricity to the citizens of Ontario and whether the public utility model delivers it to them at cost — and I think it's only prudent to set aside money for future capital investment; I think that any prudent government would do that — but the notion —

**Sir Graham Day:** If I were a citizen of Ontario, I'd rather have my electricity at a market rate than at cost, because the cost can rise steadily and one could put one's



hand on one's heart in the Adam Beck theory and say, "You may not like the price, but I'm giving it to you at cost," and I could make my cost transparent. I'd rather have a market price, please.

**Mr Cullen:** Yet I cannot see a market price that is below cost.

**Sir Graham Day:** But whose cost? Market price is determined by the most efficient.

**Mr Cullen:** All right. Here we come back to the management of the utility, because there's nothing that predisposes the management of a public utility from having the most efficient cost. I will agree with you that competition certainly puts an incentive there and that can be factored in, but I have to go back to the principles which the taxpayers of Ontario have supported for all these years, decades, of the provision of this, what's deemed to be a basic service, at cost, and in the notion of privatization a factoring and therefore a rate of return for capital, somebody's capital, not necessarily taxpayers' capital — and this opens the door to another question. If this is to be privatized, how much of the current debt is going to be assumed by taxpayers? So to facilitate the privatization of the utility, the taxpayers in the end are going to be faced with a market rate of return that covers someone else's capital cost and a rate of profit, at the same time carrying the burden of debt. That's not a win-win situation.

**Sir Graham Day:** I am not privy to any information which would suggest that privatization is on the agenda.

**Mr Cullen:** You're being appointed, I think, for a purpose.

**Sir Graham Day:** If I am, then I haven't been told that. But if that is the proposition, then I think the pattern around the world — let's not talk about the UK. Talk about Australia, where costs to the consumer have fallen. If I were you, I would be much more concerned not about the debt falling on the people of Ontario as a result of privatization but as a result of the utility not coming to grips, which I think it is, in managing the current debt structure.

**Mr Cullen:** Yes. I think the problems of the current debt structure — there is a problem there. It's there no matter what we do and it has to be faced. But we come back to the principle of providing electricity at cost. This was the promise that was made over 90 years ago, which has been upheld to today, and I think the taxpayers of Ontario have to be convinced that the new structure would provide that.

**Sir Graham Day:** Back to the question of cost, I think they've probably been getting it at cost, but it has not been generally competitive. In other words, the cost to industry and commerce in Ontario has not been particularly attractive over these last five, six, seven years. If cost is a virtue, that's what they've been getting. I suggest a market rate will be better.

**Mr Cullen:** I would suggest to you that management of the utility would be better.

**Sir Graham Day:** I'm certainly not here to defend the historical management of Ontario Hydro.

**Mr Cullen:** But you are going on the board to direct that management and if the solution is to throw the baby out with the bath water because it's market rates that will make it better or the solution is better management of a public utility — I mean, there is a choice there.

**Sir Graham Day:** I will have no impact on the policy of the government of Ontario vis-à-vis Ontario Hydro. I would hope with my colleagues, only a few of whom I know, to have some impact on the management. But the management, of course, has been progressively changed, including quite recently, as you will be aware. One travels hopefully.

**Mr Cullen:** Indeed.

**The Vice-Chair:** Thank you very much. We've exhausted all the questions. Thank you for coming today.

**Sir Graham Day:** Thank you very much, gentlemen.

**The Vice-Chair:** We will be dealing with the appointments now in terms of voting for them or not and we'll do it ad seriatim. We have the appointment of Ken Morrish.

**Mr Grimmett:** I move concurrence, Mr Chair.

**The Vice-Chair:** All in favour?

**Mr Stewart:** Could I have a recorded vote, please?

**The Vice-Chair:** Recorded vote. Mr Grimmett has moved a motion. Is there any discussion on that motion?

**Mr Pouliot:** Just on a clarification, my good colleague and friend Mr Stewart has moved for a recorded vote. Are we talking in terms of only the first proposal?

**The Vice-Chair:** Yes. Mr Cullen wants to speak to the motion.

**Mr Cullen:** I just wanted to make sure there was that opportunity. I'm happy.

### Ayes

Cullen, Gravelle, Grimmett, Bert Johnson, Newman, Spina, Stewart.

### Nays

Pouliot.

**The Vice-Chair:** The next intended appointee, Mr Puta-Chekwe. Do we have a motion?

**Mr Grimmett:** I would like to move concurrence, please.

**The Vice-Chair:** The motion has been moved. Any discussion?

**Mr Cullen:** We will be supporting Mr Puta-Chekwe's appointment, but I do want to point out that we're setting in place a new tribunal which is to address a backlog in the courts dealing with rent control and landlord-tenant cases. I think it's going to be very important, as this new tribunal gets into place, as it deals with new legislation, that this government realizes it has to provide sufficient resources.

If we look at the Ombudsman's report, we see that this government has a woeful record in providing sufficient resources to deal with the needs of the electorate, the



taxpayers in Ontario in exercising their right to having government provide the responsibilities of service.

We all know about the 16,000 registrants seeking relative searches under the adoption disclosure register. It takes them seven years to get the job done. This is a government responsibility. I think it's horrendous. We know about the Ontario Human Rights Commission with 1,200 cases, the Social Assistance Review Board with nearly 7,000 outstanding cases, and the list goes on and on.

I'm sending out a message here. If the government is going to make this new advance under the Tenant Protection Act, as it claims, better for both participants — we're not only talking about tenants, we're talking about landlords as well — it has to provide this new tribunal with the resources to do the job or else it makes a mockery of what it's trying to do.

**Mr Spina:** I think Mr Cullen's comments are entirely speculative and have very little to do with the appointment of this individual.

**The Vice-Chair:** The motion has been moved. All in favour?

**Mr Stewart:** A recorded vote, please.

#### Ayes

Cullen, Gravelle, Grimmett, Bert Johnson, Newman, Pouliot, Spina, Stewart.

**The Vice-Chair:** That was unanimous. We'll move on to the third appointment, Sir Graham Day. Do we have a motion?

**Mr Grimmett:** I'd like to move concurrence.

**The Vice-Chair:** Any discussion?

**Ms Churley:** I haven't been officially subbed in today so I cannot vote, but I want to put on the record that if I could vote, I would be voting against this appointment because of my belief that this appointment is being made, given Sir Graham's background, to further the cause of full-scale privatization of Ontario Hydro, which I strenuously object to.

**Mr Pouliot:** Recorded vote, please, Chair.

#### Ayes

Cullen, Gravelle, Grimmett, Bert Johnson, Newman, Spina, Stewart.

#### Nays

Pouliot.

**The Vice-Chair:** The appointment is confirmed.

I thank all the appointees for coming today.

*The committee adjourned at 1130.*

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Second Session, 36<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 10 June 1998

# Journal des débats (Hansard)

Mercredi 10 juin 1998

**Standing committee on  
government agencies**

Intended appointments

**Comité permanent des  
organismes gouvernementaux**

Nominations prévues



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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 10 June 1998

Mercredi 10 juin 1998

*The committee met at 0932 in room 228.*

## SUBCOMMITTEE REPORT

**The Chair (Ms Frances Lankin):** We will call the meeting to order.

The first item of business is to accept the report of the subcommittee on committee business dated Thursday, June 4, 1998. Could I have a motion to that effect, please? Mr Grimm, thank you.

All those in favour, please indicate. Those opposed? Carried.

I just indicate that the timing, as it says here, for scheduling Mr Horrox is to be determined. We're currently checking his availability. It will either be a half-hour meeting next week because there are no other scheduled appointments or it will be a half-hour added on to the week following, depending on availability. We'll be in touch with you.

## INTENDED APPOINTMENTS

## ROB NICHOLSON

Review of intended appointment, selected by third party: Rob Nicholson, intended appointee as municipal member, Niagara Escarpment Commission.

**The Chair:** If we can move to review of appointments, our first guest today is Mr Rob Nicholson. Welcome. If you have a few opening comments that you would like to make, please feel free to do so, and we'll begin questioning after that with the government caucus.

**Mr Rob Nicholson:** Thank you very much, Madam Chair. As a member of the council of the regional municipality of Niagara, I was pleased that my name was forwarded by that body to be considered for an appointment to the Niagara Escarpment Commission. It's my understanding that this is the final step in that process, so I would certainly be pleased to have the support of this committee.

By way of background, I should indicate to you that I am a lifelong resident of Niagara Falls. Besides being a regional councillor in Niagara I work with a communications company, but spend most of my time practising law in the city of Niagara Falls. For your information, I'm a member of the planning committee in

the regional municipality of Niagara, and that, with my legal work, has provided me with some familiarity with the area of land use policies and planning in general. I hope to draw upon that experience, as well as my legal experience, to assist me if my name is approved for the Niagara Escarpment Commission.

I am familiar with committee structures and the decision-making process within a board or committee. I served for nine years, between 1984 and 1993, as the Progressive Conservative member of Parliament for Niagara Falls. Within that period of time I served for approximately four years as secretary to the Minister of Justice and in that capacity I dealt with the standing committee on justice and the Attorney General on a regular basis. I worked on dozens of pieces of legislation and appeared as a witness on behalf of the minister in this particular role on many occasions. For five months in 1993 I also served as Canada's Minister for Science and Minister responsible for Small Business. Prior to that time, however, most of my responsibility in Ottawa dealt with justice-related issues. Again, the interpretation of legislation and an evenhanded approach to these things I think will be of some assistance.

I was a volunteer committee member in 1987 when changes were made to the Canadian Environmental Protection Act. I believe that experience, as well as my general experience over the past 19 years, gives me some insight into balancing and reconciling the competing interests that come into play in environmental issues.

The Niagara Escarpment Commission has an important part to play in balancing our long-term objective, which is to protect our environment and, in particular, to maintain the integrity of the escarpment and the legitimate interests of those who live and work in the area.

As I indicated to you, I'm a lifelong resident of Niagara Falls and I believe it's a credit to the education system within this province that those of us who grew up in the Niagara Peninsula were taught to develop an appreciation of our heritage and the custodial relationship we have to the Niagara Escarpment.

Those are my opening comments.

**The Chair:** Thank you very much, Mr Nicholson.

Mr Grimm, there are about five minutes remaining.

**Mr Bill Grimm (Muskoka-Georgian Bay):** Welcome to the committee, Mr Nicholson. The members of the committee are generally interested, when we have a suggested appointee to the Niagara Escarpment Com-



mission, in the views of the applicant with regard to development on the escarpment. I wonder if, in your practice as a lawyer, you've ever appeared before the Niagara Escarpment Commission.

**Mr Nicholson:** I have not.

**Mr Grimmett:** I wonder if you could give us some comment on how your involvement in local public office might have affected your views of the Niagara Escarpment Commission and what your views might be if you're given the opportunity to sit on it.

**Mr Nicholson:** I've indicated to you in my final comments that those of us who grew up very close to the Niagara Escarpment Commission developed a very positive attitude towards it, that it is something worth preserving and enhancing. At the same time, we have to live in the area, but nonetheless, it's there to be enjoyed. I think the message that most people would agree with is that we just have a custodial relationship to that. It's our job to make sure that the integrity of the Niagara Escarpment is preserved. That's why I believe the legislation was brought in. In 1973 they brought in legislation to try and protect that so that the urban sprawl that took place, and continues to take place, in the Golden Horseshoe doesn't completely overrun this natural work of beauty that those of us who live in the area enjoy.

**Mr Michael Gravelle (Port Arthur):** Good morning, Mr Nicholson. I'm curious as to how you feel about what changes, if any, should be taking place in terms of the running of the commission itself. Certainly, being a municipal representative, I know there are some who think that the commission usurped some of the powers that should be more rightly going to municipalities. Obviously, this is a very delicate issue, and I think it's important for us to be very clear as to where you fall in terms of your thinking on how the commission should be run. Can you give us any thoughts on whether there need to be any changes and as to where you fall in terms of the role of the commission, whether it is one that's absolutely appropriate and you totally support or you think there need to be some changes?

0940

**Mr Nicholson:** In response to one of the comments, "How is the commission run?" you probably should have me back in about six months when I have a little better idea after I see at first hand how it's run. My understanding is that the authority given under the act to the Niagara Escarpment Commission overrides municipal planning and zoning authority, and I think that's appropriate. I think it was a good idea to do that so that you have one body that looks after the whole of the Niagara Escarpment. I would imagine that there must be seven or eight regional municipalities, dozens of cities, towns and villages along it, and I think it's an appropriate way and a good way to do it, quite frankly, to have one body that has the final say with respect to this.

It's much the same as we did with the Niagara Parks Commission, which is somewhat similar. You can have the three or four municipalities along the Niagara River all competing or doing something, but when the Ontario

government and Legislature instituted that, the idea was to have one body that would look after it, and I think that system works well. It works well with the Niagara Parks Commission, and I think it also works well with the Niagara Escarpment Commission.

**Mr Gravelle:** There certainly are some who are concerned that there may be a move towards more development of the Niagara Escarpment and, in some of the appointments that have come forward, I think we have been concerned that that's been reflected. I take it from your remarks that you don't fall on that side. Do you believe that there needs to be, if anything, tighter control in terms of development or do you think the balance is being struck now?

**Mr Nicholson:** We do have to strike that balance and it has to be a reasonable one, but I think we have to go in with the attitude that if you allow development, if development takes over the Niagara Escarpment Commission, it's gone for good. You can't go back on any mistakes. Once it's done, that's it. I think those who sit on the commission have to be very, very careful to understand the mandate that was given and the importance of the Niagara Escarpment Commission, because when it's gone, it's gone. It's like the land we use for the grape and wine industry. You tear it out, you put in a subdivision, and it's gone. You can't get a second chance at it.

My attitude is obviously, as you say that we have to strike a balance, but I think you have to be very aware of the fact that if you allow untrammelled, unregulated development, then it would be gobbled up. There's no question in my mind that most of it would be gone if we hadn't stepped in two and a half decades ago to try and control this. So that's the attitude I would take to it.

**Mr Gravelle:** What are your thoughts on its moving from the control of the Ministry of Environment and Energy to the Ministry of Natural Resources? Again some concerns were expressed about that. Perhaps because the Ministry of Natural Resources is one that can certainly be defined as being geared more towards development on occasion, as well as conservation obviously. What are your thoughts on that? There were concerns expressed. It was a fairly public matter, and I presume you were following that when that decision was made. I'm curious as to what your thinking is in that regard.

**Mr Nicholson:** It's hard for me say exactly where it should fit, but I will make some general comments with respect to that. I'm not sure how it would affect the day-to-day operation or my role as a member of the commission. It's the same enabling piece of legislation, and I think the same principles would apply.

As far as natural resources is concerned, I guess my greatest connection with that is when I was member of Parliament for Niagara Falls, the provincial member of Parliament was a man by the name of Vince Kerrio. He was natural resources minister and I knew he had a great love and a great desire to enhance the Ontario parks system, and I believe continues to be within the mandate of the Ministry of Natural Resources, so to that extent I think it can be a good fit on that count. As I say, I only



knew one Minister of Natural Resources personally and he was it. I know from speaking with him and his role and the mandate of his ministry that it can be consistent with what I believe they were trying to do with the Niagara Escarpment Commission, which is also to preserve and protect a certain part of land.

**Mr Gravelle:** There have been some very serious budget cuts to the running of the commission and they've been reasonably dramatic. I guess one of the concerns one would have with that is that they are not able to do the job in the same fashion as they have before. What are your thoughts? Again, obviously being a resident and a councillor from that area, you would be aware of that. Have you had any reaction from anybody in terms of what these cuts have meant to the running of the commission itself?

**Mr Nicholson:** I can't say I have had any reaction from anyone to any of the cuts, but with respect to cuts or budget changes it's difficult for me to say what kind of a budget this particular commission needs or what is appropriate or whether it should be more or less, inasmuch as I wouldn't know the budget of this particular committee. If it had been cut, I suppose I can start to draw conclusions from how I've been treated as to whether the budget is appropriate, but it would be the same thing with the Niagara Escarpment Commission. I would have a look and see if it runs and runs well, if applications are handled expeditiously, if the commission is able to respond to inquiries and concerns of the public.

Again, I'm not trying to avoid the question, but I suppose in about six months I'd have a pretty good idea of whether I think it's running well, but I can't say that I've had anyone approach me, any constituent or resident of Niagara Falls or indeed anyplace else, who raised the question with me.

**The Chair:** Mr Gravelle, I'll just let you know that this is the last question.

**Mr Gravelle:** Okay. I apologize if you said it earlier, Mr Nicholson, but did you seek out the position or did someone approach you about taking this position?

**Mr Nicholson:** I sought it out myself. The regional municipality of Niagara has one representative who is placed on the Niagara Escarpment Commission. I was elected for the first time as a councillor in November 1997, and when I knew that was available I put my own name forward.

**Mr Rosario Marchese (Fort York):** Mr Nicholson, good morning. You've answered one of my questions, which is the whole matter of the escarpment plan overriding all municipal official plans and bylaws, and you agreed with that.

**Mr Nicholson:** Yes.

**Mr Marchese:** You obviously are aware that the plan is going to be under review next year at some point. Do you foresee any argument that might be put forward that could dissuade you or convince you that that overriding power should be changed?

**Mr Nicholson:** I guess if it was something I learned within the next year as a member of the commission, then

something could change my mind, but my view towards that is very similar to the Niagara Parks Commission. I think it is a good idea to have one body that can override the municipalities and I see no reason why I might come to a different conclusion. It works well where it exists in Ontario in the two examples that I gave you, and I think they both should continue.

**Mr Marchese:** That's good. That is my view; I share it. There are many foes of the power that the commission has, as you are probably aware, and some of the people who oppose it argue that the commission duplicates or usurps the role of municipalities in land use planning, unnecessarily interferes with private property rights along the escarpment, occasionally issues arbitrary or inconsistent decisions, and often takes an excessive amount of time to process development permit applications. These are a number of reasons why some oppose it. Do you have any view with respect to those points?

**Mr Nicholson:** Any time you have a body that can override such as your example of the municipalities, their zoning bylaws, their official plans, there are going to be those who disagree with that. I suppose if you wanted to introduce a major development and either you didn't get it as quickly as you want or you did not get it at all, you would come away and complain about the body that does that. But I don't think that kind of criticism calls into question or should call into question the overriding reason for the existence of this commission. It's important to do this.

I'll give you an example. In the town of Niagara-on-the-Lake, which is in my area, when I was a member of Parliament, there was no end to the numbers of people who said to me: "I'm having a hard time in Niagara-on-the-Lake. I can't tear this building down. I can't get something up on the main street." They have in their own minds legitimate concerns. They're property owners, they're business developers, but once you tear down the main street of Niagara-on-the-Lake, once you destroy it, it's gone forever, and that's the problem.

I think there will always be a bit of a tug of war between those who are particularly affected and those who want to preserve the overall integrity, in this case of the Niagara Escarpment Commission or the town of Niagara-on-the-Lake or the Niagara Parks Commission territory. Of course, I've heard complaints about the Niagara Parks Commission. I worked for them for five years and people said: "Oh, the parks commission can do this. Why don't you just let the city do it?" That's why we have it. That's why it's beautiful. That's why people come to the Niagara Peninsula, to see the beautiful job we have done, and this is why the United Nations has given a special designation to the Niagara Escarpment Commission, not because we've got plazas running up and down the side of it. They don't do it because people have had the foresight to try and protect it.

0950

**Mr Marchese:** I certainly agree with that. I raised it because when you talked about your legal background as



being helpful in terms of dealing with competing interests, I did want to know which side you would fall on.

**Mr Nicholson:** You have to be on whatever side is fair and reasonable. You can't in advance judge the merits of anybody's case or what they are requesting. We have to be fair and reasonable. We must do that. None the less, in my case I believe that as a member of this commission I either support the objectives for which this commission was created or I don't, and if I don't I wouldn't want to be a part of it. But I do. None the less I understand that the commission receives hundreds of requests for permits from people asking very reasonable requests and from other people who want to push and test the limits of what the enabling legislation allows us to do. That's our job, I would guess, to deal in a fair and reasonable manner. None the less, I come with that background of having grown up on the Niagara Peninsula. You know my views with respect to the town of Niagara-on-the-Lake, the parks commission and anything like that.

**Mr Marchese:** I hear you. I have another question. My Liberal colleague touched on this. The commission's financial support has been reduced and part of the problem it causes is that it puts stress, obviously, on the commission itself in terms of being able to do a fair assessment of the case or a fair review of the issue or ability to monitor compliance with the escarpment plan and all that. But one of the pressures it actually puts is that the private developers and those who have a plan to put forward, if their issue is not dealt with quickly, put pressure on people like you to say: "Look, this plan is really not working. We've got a problem here. We've got to loosen it up. We need a little more control, a little more flexibility so we can deal with these issues a little more fairly and reasonably for us."

Do you foresee, as I would argue, that that kind of pressure as a result of the cuts could put pressure on you folks to reduce the kind of power the commission now has and give some more power to the municipality to deal with some of these issues?

**Mr Nicholson:** I would imagine there are people, regardless of the budget of the Niagara Escarpment Commission, who will put pressure on commissioners, either individually or collectively, to get whatever it is they want. But in terms of one of your comments, an individual's suggestion that, "You must loosen things up and bypass or cut through this," I would say there is a process in place. We have to consider them because we are not in a position to make mistakes, because a mistake will be passed on to our grandchildren. We've got to get it right. I guess everybody would like to have everything yesterday, but it seems to me there is a process that you must go through. I think it's a fair process and it's one that I intend to stick to.

**Mr Marchese:** Good luck, Mr Nicholson.

**Mr Nicholson:** Thank you very much.

**The Chair:** Mr Nicholson, thank you very much for joining us. The committee will be reviewing the actual motion with respect to your appointment at the end of this morning's session.

## LARRY MILLER

Review of intended appointment, selected by official opposition party and third party: Larry Miller, intended appointee as municipal member, Niagara Escarpment Commission.

**The Chair:** Larry Miller, welcome, come forward. Mr Miller is joining us today as an intended appointee as municipal member of the Niagara Escarpment Commission. If you have any opening comments you would like to make, we welcome those at this time, and then we will begin questioning with the Liberal Party.

**Mr Larry Miller:** Thank you, Madam Chair. Good morning, ladies and gentlemen of the review board. As you know, I'm Larry Miller. I was born and raised at the base of the Bruce Peninsula, just south of Wiarton. I still reside there, probably in one of the most beautiful parts of the whole escarpment.

I'm 41 years old. I have my current wife of almost 23 years. We have three teenage sons. We run a modest beef operation up there. We do have some farmland near the escarpment. I don't own any of it, so from that point I feel that I have basically no conflict of interest as far as that goes. I've certainly admired, and have walked parts of, the Bruce Trail and the escarpment. As I said, I believe it's one of the most beautiful parts.

I've been a member of numerous agricultural, recreational and community organizations over the last 20-some years. I feel that I am very community-oriented. In 1991, I decided to run for my local township council. I was successful. I served three years there. In 1994, I ran for deputy reeve. I was successful again and served three years. Last fall I ran for reeve, so I'm in my first term there.

As a member of Grey county council, I've always had a keen interest in planning, so subsequently I ran for the planning approval committee. I was successful; I was the only member elected to a three-year term on it.

Going from that led me out to possibly seek a position on the Niagara Escarpment Commission. I feel that with my years in business for myself — as I said, I'm a full-time farmer — and with my experience in community and political councils and what have you, I am qualified for this position.

That's all I have, Madam Chair. I would be open to questions here.

**The Chair:** Thank you very much. We begin with the Liberal Party.

**Mr Gravelle:** Good morning, Mr Miller. You indicated that you sought out this position as a municipal appointee. How did that process work?

**Mr Miller:** Basically, last fall in my first introduction to county council, I inquired about what the possibilities were. Probably about February of this year, I was approached by one of the members of our planning committee up there to ask me if I would let my name stand. At that time, I said yes, I would.

**Mr Gravelle:** That's fine. Are you familiar then with the running of the commission itself in terms of how the



process works and what the duties and responsibilities of the commission are?

**Mr Miller:** I think overall I do. I am sure there are things I am going to learn, but I realize that this is a body that basically has final decision on things. That's probably a good idea, having one body. I don't know whether that answers your question or not.

**Mr Gravelle:** Close enough, thank you very much. Of course, you've got the advantage, Mr Miller. You heard somebody beforehand being asked the questions. They tend to be similar.

In that vein, I am curious as to probably where you stand or sit in terms of the importance and the role of the commission, in terms of that balance we're looking for. As I say, this is obviously one where there can be a great deal of controversy in terms of people who feel there need to be even tighter controls and those who feel that perhaps the controls are too tight and those who feel the role of a commission usurps the role of municipalities. Where do you put yourself in that spectrum?

**Mr Miller:** I think when you're dealing with anything that has to do with private land you're always going to have the nays and the yeas. That's something the commission needs to expect. There certainly have to be controls on there and what have you. The odd question has come up: Should controls be stricter? Should they be let off? Without totally reviewing the whole thing, I don't think I could probably give a fair comment on that, but I still think that in any organization, or commission in this case, there is probably always room for improvement. Maybe there are places on it where it needs to be relaxed a bit and maybe there are places where it needs to be tightened up. Until I actually get a little more familiar with it, that's about the best comment I could give you on that.

**Mr Gravelle:** Do you have any specific thoughts in that regard? You have slightly opened the door in thinking there may be the opportunity or there may be some areas that can obviously be loosened or tightened. That makes one think you may have something specifically in mind. Are there specific areas that you have thought about or looked at yourself?

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**Mr Miller:** I wouldn't say any specific areas. I guess one example I will use from my own area is the Indian Falls area. I would use an example like that. It's a very beautiful, pristine spot and there is a place where probably a buffer zone around it maybe should be larger than some other areas.

On the other side of the coin, I'd probably say that there could be places, and there is the odd place in my county, where the restrictions on agriculture may be a little bit too much. But I don't think it's a large-scale problem. In agriculture most farmers are pretty conscientious. I think you can carry on agriculture without — it's not the same as putting in a quarry, I'll say.

**Mr Gravelle:** Have you ever had any concerns in terms of your own operation, as far as the escarpment is concerned?

**Mr Miller:** Concerns with my operation?

**Mr Gravelle:** Yes.

**Mr Miller:** None whatsoever.

**Mr Gravelle:** So you have never appeared before the commission and made any appeal or application to the commission for anything?

**Mr Miller:** Not to do with agriculture. I did have an application before it one time. At Rush Cove on the Bruce Peninsula we had a lot that we split into two. It was a piece of ground that was already designated as recreation. There were cottages on both sides. There was no problem with it whatsoever.

**Mr Gravelle:** So there was no particular controversy with the application itself?

**Mr Miller:** None whatsoever.

**Mr Gravelle:** What about the fact that the Ministry of Environment and Energy, which used to be responsible for it, is no longer responsible and that it has now moved to the Ministry of Natural Resources? As I think I indicated earlier, there was some real concern expressed about that. Do you share those concerns?

**Mr Miller:** I don't think so. The bottom line is that this commission still has basically the final say. I guess you can look at it, on the environment side, as, sure, the escarpment is a big part of the environment in Ontario. On the other side of it, I look at it as being a great natural resource; the scenic part of it is great for tourism. I see no reason why it should make a difference. I'd like to think that this commission is making the decision. What part of government it's being run by, at this time anyway, unless something comes up, I don't feel should make any difference.

**Mr Gravelle:** We spoke briefly with Mr Nicholson earlier about the budget cuts, which have obviously resulted in staff cuts, which can be a problem. I'm presuming, and maybe I shouldn't, that your response will be that you're not there yet so you don't know what the situation is. I guess the question would be, are you aware of the cuts and what impact they've had? If you are appointed today, would you be prepared to lobby for more support in the budget if that's what you discover needs to happen? Do you think that's something you'll be looking at carefully?

**Mr Miller:** If it was proved to me that it's something that's a detriment to the way the commission is being run. I'll use as an example that if it's slowing up the process, so to speak, that would be one thing it could hurt. On that side as well, the one thing I might be concerned about is the money available for more land purchases within the Niagara Escarpment area. At this point, I think it's fair to say that every department of this government has taken cuts, and probably this one has to absorb its share as well. At this time, I don't know enough about the budget to comment any more than that.

**Mr Gravelle:** Thank you, Mr Miller. You have a very interesting and varied background, and I'm sure you'll be a very fine appointee. I don't know if my colleague has any questions.

**Mr Alex Cullen (Ottawa West):** Just very briefly. You've been on county council in your own township. The



issue we're dealing with all the time — I do appreciate your words in terms of protecting the escarpment — is that 99% of the applications coming forward to the commission will be for some land use change that takes away from the escarpment itself. It's all nibbling at the edges. There will be very few that will go the other way. We've had representations here. This government has proposed appointments from the aggregate industry and from the development industry on to this board. There is going to be quite the pressure on that board to accommodate development proposals in some way. I just want you to understand that kind of political framework and, therefore, our interest in making sure that we retain this world-class natural feature.

Given that, and you've been on your own council and you understand the pressures when people come forward and couch it as reasonable and bring in the consultants to show, "Hey, we can make this work" — I just lay the table for you. How do you think you would approach it?

**Mr Miller:** I'm quite aware of consultants and what have you, and being in the position I am, we have certainly dealt with our share of them. I strongly feel that each application has to be dealt with on its merits. Of course, you have your guidelines and goals, and you've got to go along with them. I'm not going to sit here and tell you that I don't think there should be any aggregate operations — I think that was part of your question you were leading to — but at the same time, as a kid I came down to the Milton area to relatives, and I remember the big cut through on the Hamilton Mountain there. That's a disgrace. That kind of thing should definitely never be allowed to happen again.

**Mr Marchese:** Mr Miller, you covered a lot of ground, but there are one or two questions I still want to ask you. I have a big concern and I want to share that with you. When we, the New Democrats, were in government we set up this committee so that the opposition parties would have the ability to interview people, as we're doing with you today. The Tories and the Liberals always would sniff out any NDP'er we would appoint, and they did that diligently every time we had a meeting. They used to scream, both of them, on either side, about political partisanship. The Tories, of course, swore that once they got in they would be different, naturally, but I've got to tell you, they're unashamed with each and every appointment they make that is, by and large, very partisan. I don't have a problem with the fact that many are Conservatives, it's not sometimes an issue for me, but I do worry from time to time in terms of the strategy that these folks have. This plan is about to be reconsidered in 1999.

**Mr Miller:** I realize that.

**Mr Marchese:** So I worry about why so many Conservative members are appointed to such a body. Do you think I have any reason to worry?

**Mr Miller:** I see no reason, Mr Marchese. I can't speak for anybody else, but I think it's fair to say that we have obviously all voted for a political party at one time or another. That has no bearing on a decision I make, anyway. This commission, to me, has no connections

politically whatsoever. You're dealing with a plan, specific issues, and I see no reason why that should be a concern for you or myself.

**Mr Marchese:** I wanted that kind of reassurance from you, because I do worry about the fact that some people might want to change the official plan and that they might want to change the fact that at the moment the escarpment plan overrides all municipal official plans and bylaws. I think Mr Nicholson and you are saying that you have no reason to disagree with that, that you in fact support it. Mr Nicholson added that if these changes ever happen, they will be eternal, and that would be a problem on the existing plan and what we're trying to do by way of protections to the plan. Do you agree that any change of that sort or any big change to that plan could indeed thwart the kind of integrity we have been trying to protect for years?

**Mr Miller:** Yes. If you made any drastic changes, definitely they could do that at this time. As I said before, there is nothing big on there that I see needs to be changed, but going back to some of my earlier remarks, I still think there is probably always room for improvement, and whether there would be minor changes put forward I couldn't even say at this time, but I think we all have to be aware that the possibility is there.

**Mr Marchese:** Sure, and I don't disagree with that either. I just worry about what that means, because you use words such as, "The rules could be lax," or, "They should be tightened here and there." They're general enough that they could move in any direction.

**Mr Miller:** If I could add to that, I think I said "could," not "should."

**Mr Marchese:** Yes. I worry about "could" as well. Again, it's language that's flexible enough that it could lead anywhere, that's all. I know you talked about Indian Falls and how you could enlarge on that as a way of protecting —

**Mr Miller:** Yes. I used that as one example.

**Mr Marchese:** I understand. Then you talked about restrictions on agriculture that are problematic, and I'm not quite sure whether you want to add something to that in terms of how the restrictions are problematic and what you would do to change it.

**Mr Miller:** I'm not sure that there is anything I could do to change it. All I do hear is some stories to the south of us where agriculture is restricted. Basically, our part of the country is not intense cropping like it is to the south here. We don't have the climate for it. It's mostly cereal crops that are fed back to livestock in some way or other or just grazing cattle. In my area, that's largely what it is. Cattle grazing within so many feet of the escarpment, in my opinion, doesn't affect the escarpment whatsoever.

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**Mr Marchese:** I have no further questions.

**The Chair:** Thank you very much. Mr Grimmett, you have about six minutes for your caucus for questions.

**Mr Grimmett:** Mr Miller answered questions so well I don't think we have any.



**The Chair:** Mr Miller, thank you very much for joining us. The committee will be actually reviewing the motion with respect to your appointment at the end of this morning's session.

#### JOAN FENNIMORE

Review of intended appointment, selected by official opposition party: Joan Fennimore, intended appointee as member, Assessment Review Board.

**The Chair:** Would Joan Fennimore come forward, please. Ms Fennimore is joining us today as an intended appointee as a member of the Assessment Review Board. I'm sorry: Is it Ms or Mrs?

**Ms Joan Fennimore:** It could be either; I'm a widow, but Ms or Mrs, whichever you prefer.

**The Chair:** If you would like to make some opening comments, please feel free, and then we will begin questions with Mr Marchese from the New Democrats.

**Ms Fennimore:** Thank you very much. Good morning, ladies and gentlemen. I'm pleased to be here today to answer questions you may have regarding my appointment to the Assessment Review Board.

As a former commissioner with the Canadian Pension Commission from April 1993 to September 1995, I travelled to many cities in Canada conducting hearings to determine pension eligibility of war veterans, members of the armed forces and members of the RCMP. In that capacity, it was necessary to have a thorough knowledge of the adjudicative process as well as strong oral and written communication skills. As a result of that experience, I believe I am capable of assessing evidence in a fair and impartial manner and of rendering decisions in an equitable manner.

As a former real estate salesperson, I'm also familiar with property valuation and the assessment process. I feel that my professional experience in real estate as well as my knowledge of the adjudicative process will stand me in good stead as a part-time member of the Assessment Review board.

Thank you for your time, and I welcome any questions you may have.

**Mr Marchese:** Welcome, Ms Fennimore. We believe that the current plan this government has issued has caused tremendous chaos. They obviously disagree. There are about 200,000 appeals, I've read, at the moment, or at least as of a month ago. They are anticipating up to 500,000 appeals. That's a whole lot of appeals, wouldn't you say?

**Ms Fennimore:** It's true. I think any change probably entails extra work in many areas. I understand there have been over 3.8 million Ontario properties that have been reassessed recently. This is a very large task, but I think it's one that's long overdue. The assessment process in Ontario has been a patchwork for many years in that some assessments or reassessments haven't been done since the 1940s. We'll all agree that this has created inequities in the system, and I think it needs to be changed. Perhaps this is the beginning of that process.

**Mr Marchese:** I hear you. But in terms of these appeals, because I think it's an enormous number of them, how are you going to deal with that? How are you going to cope with that?

**Ms Fennimore:** I'm only going to be one part-time member. I will travel wherever I'm asked to travel. I know it's going to be a daunting task, but it's something that has to be done. I ran across this same thing during my time as a commissioner with the pension commission. We had backlogs. We did a lot of travelling and we just did our best.

**Mr Marchese:** Right. I appreciate that. But do you have any opinions about how we deal with that? I realize that you said we have a patchwork system, change is overdue, and this kind of change brings these kinds of problems, but quite clearly, in terms of the issue of appeals, it's going to create a serious problem. I know you're going to say, "We're going to cut through it," but you won't be able to deal with all of that. Do you have a sense of what you might recommend to this government as to how to deal with that?

**Ms Fennimore:** Until I'm a member of this commission, I really can't tell you what I might recommend. I haven't been able to receive training yet. I'm sure that after I become a member, if I do become a member, I'll have a better sense of what types of things could be done to improve the system.

**Mr Marchese:** You talked about the fact that we have a patchwork system, but these reassessments, in my view and in the view of many, have been done very poorly. You talked about the fact that there are 3.8 million properties of various kinds that needed to be reassessed, but clearly, because of the work that was put into it — they say 18 months, but I think it's less than that — it's an insufficient time to be able to do the job well. That's why I think in part we have the chaos.

Do you have a view as to how we — or do you think the system will fix itself down the line? Is that your view?

**Ms Fennimore:** I think we have to be optimistic that what we are doing is going to make a difference. I don't know, in terms of the appeals, whether some of them are perhaps being appealed because they're afraid of what their overall tax position may be. Maybe they don't realize that just because they've been reassessed doesn't necessarily mean their taxes will go up. That has to be determined when the final tax and mill rate is set by the municipalities. Perhaps that's where some of these extra appeals are coming from.

**Mr Marchese:** Yes, perhaps some. I know that some are obviously very concerned about this whole matter. It encourages this whole notion of spying on other people, and I'll explain why.

My neighbour has an air conditioner on the outside, or I have it on the outside; someone has it at the back. They don't see that. My property is valued at a higher rate. Or someone has a unit at the back that they built and I don't have that; someone has an extra room and I don't have that. They're valued at 180; mine is at 190. Then you ask



around. Of course then you naturally appeal. That's what you do, right?

That's the sense of how I've seen appeals happening, because that's what people call me about.

**Ms Fennimore:** I understand what you're saying, but I think in the Ontario fair assessment system, if I understand it, you look at the community; you take two properties that are of pretty well the same value and that would receive the same amount if they were sold. They should be taxed within the same reasonable realm.

**Mr Marchese:** I understand the philosophy. I'm just saying that —

**Ms Fennimore:** That's what we will have to determine. If a particular home on a particular street is assessed at a much different rate than the neighbour's, then perhaps they will have reason to come before us and perhaps we will reassess.

**Mr Marchese:** Of course. That's why you have the thousands of tax appeals.

**Ms Fennimore:** Exactly. That's maybe something we'll look at when we get to that system, but I don't think that we're going to have a lot of that type of reassessment. I don't know; I could be wrong.

**Mr Marchese:** I think so.

Ms Fennimore, do you think this new system — and I want to get to it in my second question after this — is going to cause some problems for places like the city of Toronto in terms of what it might do to some home owners who in this first year are going to see a hefty tax increase? In my area in particular, half of them, if not more, will face a tax increase. Do you think it will affect some of those people: seniors, injured workers who own homes but whose taxes are going to go up by at least \$1,000, and next year and the year after that possibly more? That core, which is wonderful in terms of keeping the residential component as part of the inner city — do you think it could lead to some problems or no?

**Ms Fennimore:** I understand there's a phase-in period for those increases; I'm not sure exactly how many years, but I believe at least five years. I think to counteract that, people who will have their assessments lowered will not receive their rebate, so it will balance it out.

**Mr Marchese:** That's an option, you realize, that municipalities have. That option is not an easy one for them to take because there are competing interests.

It was convenient for these guys just to say to municipalities, "Okay, you boys have these tools." That tool, however, is a nasty one, it's a rusty little tool, because when you apply one thing to the other, a whole lot of other people get angry, on the one hand. On the other hand, with seniors you have an option to deal with the problems they might have, phase it in for them over an eight-year period or other options that you might have. It's difficult for municipalities when they see their finances reduced to a very barebones level to give some other considerations to seniors or others that might cause a shortfall of moneys. Do you see that as a problem?

**Ms Fennimore:** In my capacity as a part-time member of the Assessment Review Board, those will be matters

that would be dealt with at the municipal level and we will have to just apply the act where it's necessary.

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**Mr Marchese:** Yes, of course.

The province has applied a cap on businesses, a 2.5% increase. In other words, they can't increase it beyond that on the business and the property. Some people have argued that's a serious problem because as the cities have to deal with the shortfall as a result of the amalgamation, as a result of the download and the download of housing, you're going to have a financial problem. That's what they've been saying for the last year, and I believe that to be the case.

How do you see them coping with that particular problem? You'll recall that you argued that we're going to have uniformity now in the system. This cap on business causes lack of uniformity in terms of how cities are going to deal with the particular problem, so they're likely to have a shortfall. If they have a shortfall, they have to go to the homeowner. The homeowner is saying, "If you hit me with more taxes, I've got a big problem," and I think they're right. What do you think is going to happen, or how do you think they will cope, and does that really matter to you, because your job is just to do assessments?

**Ms Fennimore:** I think what you've just said applies — these are policy questions, these are municipal taxation questions, and I, as a part-time member of this commission, will not be dealing with their policies. I will be dealing with the act. I will be dealing with the fair assessment commission and I will have to do my job accordingly.

**Mr Marchese:** Is this a job you sought out, Ms Fennimore?

**Ms Fennimore:** No. I saw an ad in the newspaper and I applied for that. I actually have a copy of the ad here with me.

**Mr Marchese:** Who's your member of provincial Parliament?

**Ms Fennimore:** I believe it's a Liberal member. I can't remember his name.

**Mr Cullen:** Bernard Grandmaître.

**Ms Fennimore:** Grandmaître, yes. He's been there forever.

**Mr Marchese:** Too long perhaps. Thank you.

**Mr Grimmett:** Good morning, Ms Fennimore, and welcome to the committee.

You clearly have had some experience sitting on a government agency before and you indicate in your résumé that you have excellent oral and written communication skills. That's certainly an issue that I like to review with applicants, their ability to provide reasonably timely responses to those parties that come before them. You're used to that process and getting timely responses and decisions out in a reasonably quick manner?

**Ms Fennimore:** Yes. As a commissioner with the Canadian Pension Commission, all of our decisions were written decisions. We heard approximately 30 cases per week when we travelled and we would split the cases between the two commissioners. As I say, all of those



were written decisions, so I have a lot of experience in that regard.

**Mr Grimmatt:** There are other colleagues of mine who have some questions, but I have sort of a pet peeve with the assessment review panel. From my past as a lawyer representing people before them, I've been very surprised and disappointed at the range of quality on the Assessment Review Board in Ontario. Sometimes you go before a person who's clearly competent and in charge. Other times you go before them and you'll know that they are completely intimidated by the presence either of solicitors or particularly of the assessors.

My concern is, if we're going to have a lot of assessment appeals, and clearly we are, most of the people who will be appearing before the board likely will be unrepresented. The cases that appear in the media and in the law reports usually are of big commercial properties or very expensive residential properties, but the fact of the matter is that most people appealing their assessment should have the opportunity to go before the board without representation. They should be confident they are going to get a fair hearing and that the assessment board person is not going to be intimidated by the assessor, who in most cases has a lot more information, a lot more familiarity with the process.

Do you have any thoughts on how you, if you were a member of this board, could make sure the person would leave the hearing thinking that they were dealt with fairly and that the point they wanted to make had got across?

**Ms Fennimore:** Thank you for that question. I can only go back to my experience as a commissioner. We dealt with clients who ranged from Second World War veterans through to members of the RCMP. They were all represented by an advocate who was a part of the Department of Veterans Affairs but at arm's length from our commission, so I'm used to having a client appear with their solicitor in front of me.

I pride myself on making people feel comfortable, first of all, with the process that they're going through. As you can imagine, we had some fairly feeble people coming to our commission. I always felt that, first and foremost, I wanted them to feel comfortable, that they weren't sitting in front of a judge and jury sort of thing. I feel comfortable in that I make people feel I'm there to be fair and open-minded with them.

Secondly, there's quite a training process involved, I'm sure, when I become a member of this commission. Once you've gained experience by sitting with members on the road, you get the feeling of the way the process works. You know how to apply the regulations etc.

But I think for people to come before someone, they must feel confident that this person is going to listen, first and foremost, and then assess all of the evidence and render a fair and impartial decision. I think I can do that.

**Mr Bert Johnson (Perth):** Thanks very much for being here today. I'm glad to see that you have a real estate background because I wanted to ask you what criteria you'll be taking into consideration in determining the actual value of a property.

**Ms Fennimore:** We have to look at all of the properties that come before us in terms of the way they've been reassessed. My example that I stated before was that in a particular community, if you have two properties that are of fairly equal value and they're put on the open market at approximately the same price, then their tax should be pretty well the same, and if it's not, then there's something wrong in that particular assessment. I guess we have to look at that evidence and apply it in terms of the community and what properties are assessed for in that particular area, and govern accordingly.

**Mr Bert Johnson:** Would you be taking into consideration the financing on a property when determining its value?

**Ms Fennimore:** Financing on the property? I don't believe so.

**Mr Cullen:** I hope not.

**Ms Fennimore:** You can have two properties that are assessed for \$150,000. One might have a mortgage of 75%, 85% or 95% on it and another one may be mortgage-clear. I don't think that has any bearing on it.

**Mr Bert Johnson:** My concern with assessment always has been that the person appearing before your committee usually wants their assessment to go down, and the next day they're in to their banker and they want the value of the property put up so they can borrow more money against it. That was the reason for my question.

**Ms Fennimore:** I think we're looking at apples and oranges. I don't think we can have any bearing on what that person will do if they're reassessed. We have to just go on the facts that are presented to us, whether that property is assessed at the right amount. If he goes to the bank with his reassessment afterwards, we have nothing to do with that.

**Mr Bert Johnson:** In a lot of cases he may not want to go with it, but anyway, thanks very much for the very frank way that you've answered my questions.

**Mr Cullen:** Thank you, Ms Fennimore, for coming out. I note you live on Crichton Street. I know Crichton Street quite well because I'm from Ottawa. May I ask how long you've lived in the national capital?

**Ms Fennimore:** Since 1985.

**Mr Cullen:** So you went through market value reassessment in 1992?

**Ms Fennimore:** Yes.

**Mr Cullen:** You saw what happened in your community in terms of property values, how some really went sky-high and others did not?

**Ms Fennimore:** I didn't really notice too much. I read what was in the paper at the time but I didn't really zero in on all the communities in Ottawa. But I know there was a lot of —

**Mr Cullen:** It was quite the controversy in Ottawa, as a matter of fact. MVA was very narrowly adopted by council at the time. Well, welcome to Ontario, where you have it all.

You mentioned that you saw an ad in the paper and applied. One can see, however, being a special assistant to the Minister of Public Works, that one could reasonably



draw the conclusion that you are a member of the Conservative Party of Ontario.

**Ms Fennimore:** Yes, I am.

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**Mr Cullen:** That's fine. It's a perfectly legal operation. Not a problem there.

I also see from your résumé that you were a member of the real estate board in Nova Scotia. Do you have an active real estate licence in Ontario?

**Ms Fennimore:** No, I don't.

**Mr Cullen:** Okay, that's fine, that's great. My colleague has touched on the kinds of issues you're going to be facing on this panel. Two issues have come up: One is of course that with a province-wide reassessment to current value, yes, you are going to face a record number of appeals. Mr Grimmett raised the issue of process. I'm interested because quite frankly right now the government has underresourced a number of agencies. We have a backlog in the adoption registry. We have a backlog under the Social Assistance Review Board. With almost every board that deals with adjudication from the public there's a huge backlog. Now we're up to five pieces of legislation respecting property tax so far, and we're expecting this record to just blow right out of the water.

I have to ask if you will ensure that the powers that be are informed if resources are inadequate. You're going to be there and you're going to be seeing people come forward, and some of these cases will not be simple. I don't know if you ever did it under the pension commission, but will you have the confidence to go back and say: "Look, this is ridiculous. We need more staff here"?

**Ms Fennimore:** I would think that would be up to the chairman of this board that I am going to become a member of, hopefully. If at some point I see an issue or a situation that I believe should be brought to the chairman's attention, yes, I certainly will do that.

**Mr Cullen:** That will be important. I'm not clear on this, but when one receives a reassessment, one must pay that reassessment until the appeal is upheld. So for a lot of people, particularly seniors in the west end of Ottawa, which I represent, this will be a financial burden while they're waiting for their case to go through the system. This is why we're interested in this huge amount of appeals that this very complicated system is producing.

**Ms Fennimore:** I'm sorry. Was there a question there? I didn't hear any.

**Mr Cullen:** I'm just underlining the point about ready access to the appeal process and your interest in making sure that people's appeals are expedited. The reason why I say that is that justice delayed is justice denied. Do you support that principle?

**Ms Fennimore:** In principle, yes.

**Mr Cullen:** The issue of market value assessment: In my neck of the woods I have a lot of retired civil servants who at one point were either directors, DGs, assistant deputy ministers. They're now retired. I have more PhDs in my neck of the woods than most communities. These people come up with very, very reasoned arguments, yet they're on pensions and they don't want to hire a lawyer.

Are you familiar enough with the system that when they come forward and say, "Look, two blocks away it's thus and so, and here I am paying more," is that going to be sufficient for you or are you going to take the band approach that has been traditionally used by assessment review boards?

**Ms Fennimore:** As I understand the way the legislation is written, people can go to the regional assessor first and it can be determined there. That's their first line of appeal. If after that the assessor decides in a negative fashion, then they come to us. At that point, all we can do is assess the situation as it's presented, with the evidence. I will learn of course a lot more about the process once I become a member. I'm afraid I'm a little bit ignorant in that sense just yet.

**Mr Cullen:** Let me help you out here because we've gone through this with MVA. MVA in Ottawa-Carleton produced a record amount of appeals for Ottawa-Carleton. Now you're doing this province-wide. I can tell you that within a band assessment will be so, but as soon as you cross over a line, assessment jumps up because they have to make geographical areas of people within blocks of each other having the same lot size, having the same number of rooms in the house. There of course will be small differences. We're not talking about air conditioners and stuff like that, but there will be differences in assessment. How much latitude do you think you will have?

These people will have already gone through the process. The meetings that the assessment folk had in my neck of the woods were crowded. People walked out of there frustrated and that's why we have the record amount of appeals. They've already gone through the first line of defence and this is money out of their pocket.

**Ms Fennimore:** I can sympathize with people who are in that position. Again, as I say, until I learn more about the actual regulations and the workings of this commission, I couldn't really comment on that, on what I would do in that situation.

**Mr Cullen:** Do you think that when you have two homes side by side and they show the same characteristics, property tax is simply based on the value of the home and there's no accounting for the individual financial circumstances of a retired couple on a pension versus a double-income, no-kids professional couple?

**Ms Fennimore:** Do I agree or disagree with that?

**Mr Cullen:** No. Is that —

**Ms Fennimore:** The assessment is based on fair market value of that property, yes, as I understand it.

**Mr Cullen:** What do you think in terms of market trends? You're in a trendy area; Crichton Street's a trendy area. Property values are always going up. What does that do to people on fixed incomes? It pushes them out of their homes.

**Ms Fennimore:** Again, Mr Cullen, I don't think that's an issue our board will be dealing with. That is a social policy issue and that's also a municipal issue, and I would really rather not comment on those particular issues at this time.



**The Chair:** Ms Fennimore, thank you very much for joining us. The committee will be dealing with the motion with respect to your appointment shortly. We have one more witness before we deal with that.

### JEAN-PAUL CHARLES

Review of intended appointment, selected by official opposition party: Jean-Paul Charles, intended appointee as member, Ontario Housing Corp board of directors.

**The Chair:** Mr Jean-Paul Charles is joining us today as an intended appointee as a member of the Ontario Housing Corp board of directors. Welcome, sir. If you have any opening comments that you would like to make, please feel free to do so and then we'll begin questioning with the government caucus.

**Mr Jean-Paul Charles:** Madam Chair, members of the standing committee, I thank you for the opportunity to appear before you today. I am honoured to have been considered to sit on the Ontario Housing Corp.

I am fully bilingual. My wife, Sandra, and I have two grown children and are the proud grandparents of two boys and one girl. I am a barber by trade. I've been in the hair business since July 1961, so to speak.

I have been in municipal politics for 24 years. I served 10 years for the township of Springer as a councillor and the past 14 years as the reeve of the same municipality. I sat on many boards and committees in West Nipissing and chaired most of them. Just to name a few:

In January 1993, I chaired the West Nipissing million-dollar fund which was the key to saving 160 jobs at MacMillan Bloedel's paper plant in Sturgeon Falls.

I served 14 years on the West Nipissing Non-Profit Housing Corp, 10 years as chairman. Under my chairmanship, we constructed two 45-unit apartment complexes for seniors.

I sat for 22 years on the West Nipissing planning board and for 24 years on the West Nipissing Municipal Association.

I am presently the vice-chairman of the West Nipissing Transitions Board and chairman of the transitions board general government subcommittee. Example: We are in the process of amalgamating five organized municipalities and 17½ unorganized townships for January 1999.

I do not claim to be an expert on housing, but if appointed to this corporation, I will consult on all the facts before forming an opinion and treat each item on the agenda on its own merit. Again, if appointed, I will come to this board with a positive attitude and an open mind. I am confident that the contribution I would make to this corporation would be an asset, not only for the north but for all the province of Ontario. Thank you.

1040

**The Chair:** Thank you, Mr Charles. Mr Grimm, you have about seven minutes.

**Mr Grimm:** Welcome to the committee, Mr Charles. I was expecting a much older gentleman. I notice that my copy of your résumé says that you've been the reeve from 1904 to the present.

**Mr Charles:** From 1904?

**Mr Grimm:** It must be a misprint.

**Mr Charles:** There's a mistake. I've been reeve since 1984. You'll replace that 0 with an 8, please.

**Mr Grimm:** It must be a poor fax copy of your résumé. I assumed that you probably hadn't been on that long.

Could you perhaps comment on whether your considerable municipal and community experience will help you in terms of your judgement if you are successful in becoming a member of the Ontario Housing Corp?

**Mr Charles:** If my experience on council will help? Definitely it will. I've had experience with municipal housing. We at West Nipissing Non-Profit Housing Corp have had construction of two apartment complexes, as I mentioned a little while ago. Definitely this is going to help. I know how it works. I know the whole scenario on housing and housing complexes. I've done my homework. I've been on it for 14 years. As a municipal politician, I know as much as can be known about housing for a politician.

**Mr Grimm:** You currently live in northern Ontario. Do you think that you can provide maybe a different viewpoint to the board if you're successful in becoming a member?

**Mr Charles:** Definitely. There is quite a difference in housing in northern Ontario than there would be in southern Ontario. I'll give you an example. In northern Ontario it's mostly more remote areas, not as many larger centres. Probably the salary range is lower also.

**Mr Grimm:** I think those are the questions I had.

**Mr Joseph Spina (Brampton North):** Welcome, Mr Charles. I'm pleased to have you here. You have an interesting background. I think we met in some of the Who Does What hearings when we were up in your area.

I wondered if you had an opinion on how public housing fits into the general administration of planning for a municipality, for a regional area. Do you think it has a role to play in that area?

**Mr Charles:** Are you talking about the planning of the municipality itself?

**Mr Spina:** Yes. Should public housing have a significant role in municipal planning?

**Mr Charles:** Whether we like it or not, I believe that it does have a role, yes. What kind of an answer are you —

**Mr Spina:** That's okay.

**Mr Cullen:** Ask him if he likes downloading.

**Mr Spina:** I'll go on that. There's been the exchange of services under Who Does What and there's a greater responsibility on the part of the municipal governments now to look at public housing. Do you think that the municipalities will be able to cope with that through the transition?

**Mr Charles:** I will answer this question with my municipal hat, if you don't mind. I believe it's going to be hard. This downloading to our new municipality that we are about to amalgamate, with a population of 13,700, is going to cost a bit over \$1 million. Unless the exchange of responsibility fills in the gap where the funds are going to



be missing, it's going to be hard for the municipalities to live with this.

**Mr Spina:** Thank you, Jean-Paul. I wish you well.

**Mr Cullen:** Thank you for coming today to this committee. You've had some experience with social housing, as I see from your background. There are huge waiting lists for social housing across Ontario — 13,000 in Ottawa-Carleton alone — and there's been no new social housing built for the past three years. How do you see your role on the housing corporation in responding to this crisis in affordable housing?

**Mr Charles:** I'll give you an example. In West Nipissing Non-Profit Housing Corp we have roughly 300 names waiting. We have 130 units available under that housing complex. If you go through that list and you call those people, how many of the 300 on the list waiting for an apartment would be willing to move tomorrow? I would say there is probably one-third, maybe less than one-third.

Through my personal business, my barber shop, I talk to a lot of people. A lot of people every day come to me for different reasons, different questions, and housing is one of them. They ask me to try to shift them up on the list if I can, which is impossible. But when I talk to our administrator he shows me a list of all the people who have been called. There are not 300 in front of him; there are probably 100.

I expect it's probably the same all through the province of Ontario. I think the list is there, but if you ask those people, they just put their names down in case they ever need it, for insurance.

**Mr Cullen:** These are all people who qualify for social housing, which means that they're all paying more than 30% of their gross income towards shelter. They don't get on the list unless they're paying more than 30% of their gross income on shelter. Even I were to accept your views, I've been a regional councillor in Ottawa-Carleton for six years and I know what's out there in my community. But even if I accept one third, that's 4,000 people in my region who, by paying more than 30% of their income on shelter, have less money for their children, for their health, for their future, for themselves.

But the issue is that my regional municipality has said very clearly in its study that there's a crisis in affordable housing in Ontario. Other regional governments have said so as well. Ontario Housing has a mandate to provide this kind of housing. Of course, it needs the resources from this government. You're going on to this board, not only to manage what's there and to deal with the transition for downloading, but also, do you not see that there is a need here that has to be responded to?

**Mr Charles:** Once I'm on the board, if appointed, if I see that there is a need and it can be done without private enterprise, this is something we have to look at. I'll give you an example. I have apartment buildings myself, not too many; I'm not a landlord like the province of Ontario, mind you. But I will give you an example of one person who is on the waiting list for our non-profit housing corporation. She was way down the line. It was impossible for her to get an apartment and she saw an ad in the paper

that I had an apartment for rent. She came back to see me and my rent is about the same price she would have paid at our complex, and I'm private enterprise.

**Mr Cullen:** Good for you. It's not so in my community. That kind of housing is very hard to find.

One of the previous members touched on the downloading. Right now the government is consulting with the municipalities about the downloading of social housing to the municipalities. You've indicated that downloading is going to cause a problem in your municipality. Municipalities want to control their costs and they have been lobbying to have the ability to set the rent-gear-to-income level. They've been lobbying to have the ability to control eligibility and accessibility to social housing units. Could I have a comment? The Ontario Housing Corp is directly involved in those consultations, talking about RGI and eligibility accessibility. What would be your views on this?

**Mr Charles:** I don't believe municipal taxes should be used to subsidize housing, if it is the case, and I don't believe that we should double the rent if those people cannot afford to live in those apartments. The only thing is that maybe the government can subsidize those people who need them individually.

**Mr Cullen:** Do you think there should be province-wide standards for rent geared to income? Right now, it's 30%. Do you think there should be province-wide standards for eligibility? If there are not these province-wide standards, if municipalities set these things, then maybe Nipissing will set it at 35, and Sturgeon Falls might set it at 42 and Ottawa may set it at 31. Then you might have migration going from municipality to municipality. Do you think there's a role for province-wide standards?

**Mr Charles:** If it's going to be administered by the municipality, it's going to be hard for the province to tell the municipality what kind of rent to charge. If it's downloaded to the municipality, the municipality should probably decide on its own.

1050

**Mr Gravelle:** Good morning, Mr Charles. In your response to Mr Cullen's question, and Mr Spina's too, you certainly suggested it's going to be difficult to have municipalities manage it. Do you feel that the downloading of social housing to municipalities is wrong, that it should not have happened?

**Mr Charles:** Not necessarily, no. I don't think it's wrong. The only thing is, we want to guarantee that there is going to be some money to replace the funds from the province that it's going to cost the municipality. I think the province should, and I believe they said they would, offset that cost, but we haven't had the last figure yet.

**Mr Gravelle:** As you know — you would know yourself, being a municipal politician — they've said they would, but it certainly is not revenue-neutral in terms of the downloading. Every municipality is in a difficult situation. Are you saying you'd prefer to believe the government will make sure it balances out? Would you say you



prefer to believe that the government will make it revenue-neutral, that it will not cost municipalities?

**Mr Charles:** I would have to see it on paper.

**Mr Gravelle:** Right now, I know a lot of municipalities are very concerned.

**Mr Charles:** I am concerned myself, as a municipal politician, as I said.

**Mr Gravelle:** Of course.

**Mr Charles:** Before the transfer is done, I'm expecting the government of Ontario to come up with some dollar figures.

**Mr Gravelle:** What if they don't? What if it ends up being a —

**Mr Charles:** We'll cross the bridge when we get to it, but before I make a commitment and say that I approve it or not approve it, I would like to see a dollar figure, a dollar sign there, and see how much it would affect our municipalities.

**Mr Gravelle:** But you already have a sense of that, I presume, in terms of that.

**Mr Charles:** Yes, we do.

**Mr Gravelle:** Right now you could not say it's revenue-neutral; in other words, there needs to be more support from the province in order to —

**Mr Charles:** I think so.

**Mr Gravelle:** What about the fact that there's actually been no guarantee of a permanent program? The government's talked about two years of a sort of community investment program or some kind of special assistance program, but only for two years. You're familiar with that. Do you feel a permanent fund is needed?

**Mr Charles:** Two years is not very long, but if you do get a two-year program and then the province gets in better shape, we expect it's going to be extended or changed, or maybe improved.

**Mr Marchese:** Jean-Paul, is it M. Charles or —

**Mr Charles:** J-P. Just call me J-P.

**Mr Marchese:** Is it Charles?

**Mr Charles:** Charles, yes.

**Mr Marchese:** I've got it.

**Mr Charles:** It's a French name. My father was born in France.

**Mr Marchese:** I'm concerned about some of the issues you're raising. You're saying that the downloading will cost \$1 million and you're concerned about that, as a municipal politician.

**Mr Charles:** I am.

**Mr Marchese:** You don't mind the downloading of housing to the municipality —

**Mr Charles:** As long as there's an offset.

**Mr Marchese:** As long as the money's there, right. But I worry — and I'm not sure about you — about the downloading, which includes housing, but of course other things such as more cost to the municipality for child care, social assistance, ambulances, public health, and in some areas it's going to be worse than others, as you might imagine. Here in the city of Toronto we have a lot of public housing —

**Mr Charles:** I understand that.

**Mr Marchese:** — so we are very concerned about the effect it will have on our municipality. I'm worried about the fact that as you download these social services, you are essentially downloading it on to the property owner, the tenant and the small business. It's a serious concern in terms of how we might cope as a municipality to find the money from the property owner. Many of them are seniors. Many of them are low-income who just scrape by to own a home. Are you concerned, as I am, about that or not?

**Mr Charles:** Yes, I am.

**Mr Marchese:** Beyond the financial problem of not getting enough money, possibly, to deal with the issue of housing, you're also worried, as I am, about what it could mean for these other services down the line?

**Mr Charles:** We'll deal with other services as we go along.

**Mr Marchese:** Yes, that's what I'm worried about.

**Mr Charles:** We can't put the whole thing into one bag.

*Interjections.*

**Mr Marchese:** These Tories never worry. They're such a good, healthy lot of people.

They did pass it down to the municipalities and they let them worry, right?

**Mr Bert Johnson:** We stopped at a quarter to 11.

**Mr Marchese:** Yes, they stopped worrying at a quarter to 11, whereas the rest of us are concerned about the downloading now and for the future, and they're saying, "We don't worry about those things." You're saying: "We'll worry as we go along. We'll deal with it."

**Mr Charles:** I'm not going to make an ulcer with it. I don't make ulcers; I probably give some but I don't make them. Definitely we have a lot of downloading coming to us from the government. Once we got the dollar figure it was not as bad as we thought it was going to be. It's not hurting us as badly. But I'm not saying that housing is going to be the same or social is going to be the same. I'm not sure. We're not all the way down there.

**Mr Marchese:** Yes, I hear you.

I wonder if Tories get ulcers. Maybe they don't get ulcers because they pass them down to the municipalities.

You are probably aware that the corporation has been selling off standalone houses. Of course, they have gotten rid of most of the other appointments we made — four of them, in particular, and Mr David Hulchanski in particular who was very concerned about these things — because these people were saying, "Those homes are an important part of the housing stock." Not only that, they are integrated in communities. We have quite a few properties in my area, right on Crawford Street in downtown Toronto here. Those homes are an important part of the community. Nobody realizes they're owned by the corporation.

**Mr Charles:** They're scattered, the ones you're talking about.

**Mr Marchese:** They're scattered beautifully in the community, so they fit in and they're part of a community. When you sell them off, of course they make, they say,



about \$25 million, but do you think that it is right to do that?

**Mr Charles:** If the province of Ontario cannot afford to keep them — I agree that we have to save a certain amount of social housing for the people because nobody should live on the street. I'm a strong supporter of this. We don't have any people living on the street up north because it's too cold, but when you come down to Toronto and you see somebody lying on one of the grills in the city, I don't like it. I feel bad about it and I don't like to see it. I'm not even proud to see that in Ontario. I think that shouldn't happen. Right now, we have a lot of housing and we still get that same problem. I'm not sure if it would hurt or if it would correct it or what would happen, but if the government sells some of that housing, as long as they guarantee the people who are eligible to live in that housing a certain amount of money to find a good place —

**Mr Marchese:** But you see, that's our worry, Mr Charles. One of the questions that was asked earlier was about the number of housing units that are available for people who need them, and when you sell off that stock that's there, owned by us, then you've gotten rid of something that was available to people who need it.

The lineups are there. You might say it's not 300 in your area; it's 100. There are still people lining up waiting to get in. It's a housing stock that we can afford to keep but they want to sell it off. I think it's wrong.

**Mr Charles:** You mean that the government can afford to keep it?

**Mr Marchese:** Yes. You said if they can't afford to keep those homes —

**Mr Charles:** Yes, right.

**Mr Marchese:** But why can't they? Why can't they afford to keep those homes?

**Mr Charles:** I'll answer that question in another way. If the government subsidizes them individually — it was said that there is not enough government housing already that is being subsidized. If you subsidize the individual, he'll find an apartment.

One thing I want to tell you is that I think all municipalities — maybe in Toronto you have that. We don't have as many inspections. We're not a large municipality. But in smaller areas the inspection is not made in all the apartments. Some of them are not fit to live in. I would like the government to put more emphasis on inspection and make sure that the apartments — I'm not talking about apartments that belong to the government — that belong to private individuals are inspected before people can move in. This is going to create more good housing.

**Mr Marchese:** That part I agree with. We were very concerned about the whole idea of — what you have described — as long as they have money, they'll go find it; a voucher kind of system. "Here is a certain sum of money, then you go and find your own housing." We're worried about that in two ways: (1) That amount of money the government might want to give in the form of a voucher may not be sufficient; and (2) if you give money to a person with a disability to go find housing, where does a person with a disability go to find adequate housing

when you probably know — I know here in Toronto — that it's not easy to find housing that is suitable to people with disabilities?

1100

**Mr Charles:** You're talking about somebody with a physical disability. I agree that if we are to have housing, we should probably reserve some for those people.

**Mr Marchese:** I agree. The problem is that the public sector — through these people — is not building any more and the private sector isn't building that kind of housing and certainly not the kind of housing that would be suitable for people with disabilities.

**Mr Charles:** If there was a demand for this kind of housing and it was known, I believe that the private sector would get into it.

**Mr Marchese:** That's what they say. But there is a demand; we know there is a demand. These people, philosophically, say they shouldn't be involved.

**Mr Charles:** You could spend a bit of money on advertising and ask the private sector to get into this.

**Mr Marchese:** There are a few other questions I want to ask you. The municipalities are collecting the money already to pay for housing. The administration is going to be handed down in a year or two. We don't know whether it's going to be handed down to the municipalities or some other body. We are not quite clear on that.

**Mr Charles:** It's unknown yet.

**Mr Marchese:** Yes. Part of that worry connected to all that is the tenants themselves, who live in these buildings, who pay approximately 50% of their own housing and have virtually no say. Mon ami M. Leach has really not included tenants in an active way where they would have a say as to what would happen. He says, "Tenants are included by having municipal politicians there, as an example." But tenants say, "Since we pay 50% of the costs, we really would like to be part of these consultative committees that you set up." He said no to them. Do you have an opinion on that?

**Mr Charles:** Yes. I'll give you an example. West Nipissing Non-Profit Housing Corp: There are seven members sitting on that corporation; two of them are tenants. This has been recommended by the province of Ontario, to have those two. We used to have one; in the past six months or so we have a second one. They are tenants. This is not Ontario Housing, mind you; it is West Nipissing Non-Profit Housing Corp. We are at the same level as Ontario Housing Corp. We own our own land, but we manage it instead of having somebody else manage it, but we're not as big either.

**Mr Marchese:** Generally speaking, in terms of whether tenants should be involved in anything that will affect their lives, their future homes, what is your view of their involvement?

**Mr Charles:** I believe there should be a certain amount of input — I'm not saying 50% — because in my experience the tenants we have sitting on our West Nipissing Non-Profit Housing Corp have a lot of input and they help us more than anybody else on the board because



they know what is going on there. They live right there. We question them quite a bit.

**The Chair:** Thank you for joining us.

**Mr Charles:** Is that all?

**The Chair:** That's all; that's it.

**Mr Charles:** I thought I was going to be grilled here today.

**The Chair:** You thought it would be tough? We try to be congenial.

If we could move to concurrence motions now, may I ask if there are any committee members who wish to deal with any of the intended appointments separately? Okay, we will deal with them all separately then.

First of all, could I have a motion for concurrence in the appointment of Mr Rob Nicholson?

**Mr Grimmett:** I so move.

**Mr Cullen:** We are going to be supporting this appointment. It was a breath of fresh air, compared to the other appointments we have interviewed here for this particular commission. The members here who participated in that know full well the approach we've been taking about the pressures on the commission in dealing with land development applications. We heard from both the presenters today — municipal presenters, people who are there on the front lines, who deal with applications day after day — that they understand the purpose of the commission is to protect the integrity of the escarpment, which all of us know here has a world-class designation.

Unlike the other appointees whom we have voted against because quite frankly we thought the commission was being stacked away from the public interest, here we have someone coming from the municipal sector who understands that once you develop it, it's gone. We heard that from someone who has represented the public at more than one level, who understands the value of these kinds of features. Simply to say, it is with pleasure that we're dealing with a municipal appointment that's going through here from a body who understands the purpose of the exercise and we are very pleased to support that.

**The Chair:** Thank you. Any further debate? Seeing none, if we can move to a vote.

All those in favour of the motion, please indicate. Those opposed? The motion is carried.

May I have a motion of concurrence in the intended appointment of Mr Larry Miller?

**Mr Grimmett:** I so move.

**The Chair:** Is there any debate? Seeing none, we'll move to the vote.

All those in favour, please indicate. Those opposed? It's carried.

A motion of concurrence in the intended appointment of Ms Joan Fennimore.

**Mr Grimmett:** I so move.

**Mr Cullen:** The issues we touched on in dealing with this particular appointment: The government knows full well that we're going to have a record set of appeals. Just looking at the Ombudsman's report, it's not going to be good for this government; it's not going to be good for the public if there aren't sufficient resources to deal with these

appeals because you have to pay the tax. It's not one of these things where the assessment is stayed while this is going on. No, you have to pay the tax. Then and only then, if you're successful with your appeal, does your tax bill change.

I put it to you that this government's ambitious agenda — some of which we would support because there was a need for property tax reform in Ontario, but it has to be said that it has been botched. That's one of the reasons we have this record amount of appeals.

**Mr Spina:** On a point of order, Chair: I don't see the relevance to Ms Fennimore's appointment.

**Mr Cullen:** Perhaps if the member would let me finish, I'd be able to tell you.

**Mr Spina:** He's talking political philosophy here.

**The Chair:** I thank you for your point. It's a relevant point of order. However, we're talking about an appointment to the Assessment Review Board. As I hear the member, he's speaking about his views of what that will require. I think he's within order.

**Mr Cullen:** The point here is, and the government side is here, when they make these appointments to these boards they have to make sure they provide sufficient resources so those members can do their jobs in an expeditious manner. That's the point I'm trying to make here today.

**The Chair:** Is there any further debate? Seeing none, all those in favour, please indicate. Those opposed? The motion is carried.

May I have a motion of concurrence in the intended appointment of M. Jean-Paul Charles?

**Mr Marchese:** So moved.

**The Chair:** Is there any debate?

**Mr Cullen:** This is an area where I have a great deal of concern. I have a large amount of social housing in my riding. The concern of the community there is, will the devolution of social housing to the municipality threaten the viability of rent geared to income? The principle behind social housing is indeed that people pay rent based on their ability to pay.

I know that the applicant has very good qualifications and is knowledgeable in the area, but when asked about the integrity of our social housing program, when asked about the notion of ensuring that there will remain province-wide standards on rent geared to income, province-wide standards on eligibility, province-wide standards on accessibility, not surprisingly, because he is a representative from a municipality, he says, "Look, municipalities will have to have some ability to control their costs."

I'm sorry. This is a social program and if you allow individual municipalities to try to control their costs, you end up fragmenting part of the social safety net and you will end up having people move to different places. Municipalities, as the applicant made very clear to us, do not have the ability to fund a social program as part of the social safety net from their property tax base. His views about downloading reflect ours; he has a problem with it.

But here we have the Ontario Housing Corp involved in negotiations with municipalities about the form that the transition is going to take for downloading and I, for one — I'm not alone in this. Many of us believe that the principles of a social program that should have province-wide standards have to be defended. In my view, it is against the public interest to appoint someone to the board who is going to contemplate not having those province-wide standards, allowing municipalities for reasons I can very much appreciate — but it's a question of principle here, and this, as part of the social safety net, has to be available to all or else we end up breaking a significant portion of what we call the social safety net.

It's with regret, but these principles are important enough for us not to support this appointment.

**Mr Marchese:** These appointments always pass because the Tories have the numbers. What we usually communicate to the people who come before the committee is our concerns and I think they understand that. Were the downloading not to work out effectively, as they have planned and as they say, I expect Mr Charles to be able to fight each and every one of them. That's the point of our comments here on this side. We can't prevent it. I can philosophize about my disagreement with downloading. I think it's absolutely wrong. Housing should not be something that should be given to municipalities.

I can say all that. I think he understands that and knows it, but I expect that when it doesn't work and when he doesn't get his money — I suspect many municipalities will not get the money they need to do housing — he's going to fight back, and if he doesn't do that, there's not much we can do about it except to make individuals of that kind feel guilty about the appointments they are taking. All I can do is to urge you, Mr Charles, if you don't get

the money you're looking for, to fight these boys on the other side.

**Mr Bert Johnson:** I'm in a quandary because I have two reasons I find it difficult to support this motion, not the calibre of the man involved, I have a great deal of respect for Mr Charles, but the motion made by the member for High Park, that scares the heck out of me. The other reason is because —

**Mr Grimmett:** Fort York.

**Mr Bert Johnson:** Oh, I'm sorry, Fort York. What did I say?

*Interjections.*

**Mr Bert Johnson:** I always think of Old Fort York. The member for Fort York. The other reason is that Mr Charles and I don't share PhDs and so on, and I hardly know what it is but it scares the heck out of me when I hear a member from the caucus across that represents a riding that has a whole lot of PhDs, has a whole lot of wealthy retired Liberal civil servants, and they have this amount of social housing. That really scares me. I'm going to have to really think in the next minute or two whether I'm going to support this motion or not.

**The Chair:** Not seeing any other hands, you may not have a minute or two, Mr Johnson. Is there any further debate? Seeing none, if we can move to the vote.

All those in favour please indicate?

**Mr Marchese:** Bert, you kill me, honest to God.

**The Chair:** Those opposed please indicate? The motion is carried.

When we next meet, questioning of witnesses will be begin with the Liberal caucus and the clerk will be in touch with you to let you know whether that meeting will take place on June 17 or June 24. No further business? Seeing none, meeting adjourned.

*The committee adjourned at 1115.*





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## STANDING COMMITTEE ON GOVERNMENT AGENCIES

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of Ontario**

Second Session, 36<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**

Deuxième session, 36<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

Wednesday 17 June 1998

**Journal  
des débats  
(Hansard)**

Mercredi 17 Juin 1998

**Standing committee on  
government agencies**

Intended appointments

**Comité permanent des  
organismes gouvernementaux**

Nominations prévues

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 17 June 1998

Mercredi 17 Juin 1998

*The committee met at 1002 in room 228.*

## SUBCOMMITTEE REPORT

**The Chair (Ms Frances Lankin):** I call the meeting to order. The first item of business is to accept the report of the subcommittee dated Thursday, July 11. If you take a look at that, you'll see that it's a bit unusual in its timing, in that it sets out approval for interviewing Mr Douglas Lawson today. Mr Lawson was selected by the Liberal Party. He was not available next week but he was available this week so, given that we had a short meeting, it made sense. With the committee's agreement, we will accept the subcommittee report. Could I have a motion to that effect?

**Mr Bill Grimmett (Muskoka-Georgian Bay):** Could I just preface my motion by saying, Madam Chair, that I believe you said May 11 in your opening remarks. I think you meant June 11.

**Mrs Barbara Fisher (Bruce):** She said July.

**Mr Grimmett:** Okay, she was thinking about July. We're going to have a fun subcommittee meeting today talking about July.

**The Chair:** If I said July and didn't mean May, it must be June.

**Mr Grimmett:** Sorry, I wasn't listening very well either.

**The Chair:** Well, you caught that I got it wrong. My apologies. It is the subcommittee report of June 11. Could I have a motion to adopt it, please.

**Mr Grimmett:** So moved.

**The Chair:** Thank you. Is there any debate? All those in favour, please indicate. Opposed? That's carried.

## INTENDED APPOINTMENTS

## DAVID HORROX

Review of intended appointment, selected by third party: David Horrox, intended appointee as member, Ontario Rental Housing Tribunal.

**The Chair:** We'll now move to appointment reviews. The first intended appointee is Mr David Horrox. Mr Horrox is an intended appointee as a member of the Ontario Rental Housing Tribunal. Mr Horrox, if you have any opening comments, we would be delighted to hear

from you, and then we would begin questioning with the Liberal party.

**Mr David Horrox:** Madam Chair and members of the committee, thank you for inviting me to meet with you this morning. I shall briefly outline why I am interested in the position of member of the Ontario Rental Housing Tribunal and my qualifications for this appointment.

When I saw the advertisement in the Globe and Mail, I immediately applied, believing that the position would be challenging, of service to the people of Ontario, and one that would utilize my successful work experience, education, and personal belief and practice in fair, unbiased and transparent public administration.

My background includes 24 years' experience with the federal government, working both at the officer level and in management, administering social and labour legislation. During that time, I developed solid administrative abilities and quasi-legal knowledge. Over the years I appeared as departmental representative before various tribunals, such as the Canada Labour Relations Board, the Ontario Labour Relations Board, the Public Service Staff Relations Board and in criminal courts as a witness-in-chief for the department. In addition, I worked with the Department of Justice counsel preparing cases.

Bill 96 provides for a member mediating, where possible and appropriate, to resolve disputes as one means of expeditiously processing tribunal business. My experience in this particular activity, I believe, would be useful to the tribunal.

One of the things about which I'm proudest of my time in the federal government was the exemplary performance of my staff, who judiciously balanced the rights of both employees and employers while administering the Canada Labour Code in a fair and effective manner. Time does not permit me to list their accomplishments.

My experience as a public school trustee and chairman of the Scarborough Board of Education is relevant to the position. Among other things, I conduct the hearings pursuant to the Statutory Powers Procedure Act on recommendations for expulsion, some of those hearings being highly challenging, particularly since students' legal counsel sought to test the newly developed zero tolerance policy on violence and weapons possession. And from what I've heard, there may be some lively hearings under Bill 96.

I'm currently employed as a professor at the school of business at Centennial College in Scarborough. I would

welcome the opportunity of serving as a member of the Ontario Rental Housing Tribunal, should the committee see fit to confirm me, and would welcome any questions and comments from the members.

**The Chair:** Thank you very much, Mr Horrox. We'll begin with the Liberal Party.

**Mr Alex Cullen (Ottawa West):** Welcome, Mr Horrox. The position you've applied for is a full-time position. Is that your understanding as well?

**Mr Horrox:** Yes, it is, Mr Cullen.

**Mr Cullen:** I listened with interest to your opening remarks. I served on the Ottawa Board of Education for six years and had to be involved in some of those hearings as well. They were quite something.

The position you're going into is a change to responsibilities that ordinarily rested with the courts, so we're seeing a shift in the means of resolving landlord-tenant complaints to the tribunal. There is a whole history in terms of procedure, in terms of case law, all of that. How do you see that fitting in? Do you see the tribunal recognizing the previous standards set by the court system? Landlord-tenant disputes have been around ever since the first cave was rented out.

**Mr Horrox:** I think the new tribunal would have to take into account precedents and areas touching the current legislation. I don't think you can ignore a whole body of precedents. Certainly, they could be drawn upon and would be drawn upon. Obviously, in terms of procedures, the new tribunal will develop some itself, which will have an effect on matters before the tribunal. In answer to your question, yes.

**Mr Cullen:** One of the new areas that we think is going to create a fair amount of business for the tribunal is that part of the act that allows the landlord and tenant to negotiate minor capital changes, security measures, services etc. This is where we see the potential, where something needs fixing and is not being done and the landlord says, "I'll do it for you, but you're going to have to pay for it." There's going to be a lot of that happening. How do you see the tribunal dealing with those kinds of issues?

**Mr Horrox:** I think in two ways. One would be the information aspect of the tribunal. I believe it's incumbent on any member of a tribunal to clearly outline the rights and obligations of any person appearing before the tribunal in a matter under dispute. Second, I think the broader educational aspect could be carried out by the ministry at large, in terms of informing those who come under the act of their rights and obligations.

A third area would be to deal fairly with both sides as they appear before you. As a public servant administering social and labour legislation for 24 years, I was very much aware of the right to balance the needs and interests of all parties covered by the statute, and as a member of the tribunal I would endeavour to do that.

**Mr Cullen:** You said there's a requirement to treat all parties fairly. Very often you will find that one of the parties will be well represented through legal representation and the other party will not be, and likely it would be the tenant. How do you see balancing that?

1010

**Mr Horrox:** In several ways. The first is to inform tenants who may not be aware that they have the right to be represented by counsel or someone else of that right. They may not be aware of that.

**Mr Cullen:** They may not be able to afford it either.

**Mr Horrox:** Yes, that's right, they may not be able to afford it. Beyond that, I think that a member of a tribunal wants to get at the truth of the matter. There's nothing wrong with assisting one of the parties before him or her if he believes they should be informed of certain aspects of the legislation. Obviously, a member cannot start to argue the case for one side or the other, but I see that there's a role here for the member to assist parties, to clarify questions, to clarify answers and so forth, so that you have a reasonably balanced presentation of the facts before you.

In cases where one of the parties may have difficulties with the English language, I see no wrong with assisting that person, for example. Obviously one of the purposes of moving this legislation under a tribunal is to get away from some of the constraints of a criminal court. Certainly I would see the analogy between this tribunal and the Small Claims Court, where a judge in a Small Claims Court is fairly widely able to explore the issues with the parties and get at the truth in a way that a judge in a criminal court would not be allowed to do.

**Mr Cullen:** Landlord-tenant is not criminal court, it's civil court, but I get the point you're making.

One of the protections the government has brought in with this bill in recognition of the kinds of doors it's opening, with the ability to negotiate repairs and what might portend from that, and also the fact that rents only go up when the apartment becomes empty — vacancy decontrol, basically — is the notion of the fines for harassment.

I would suspect that because of the nature of your clientele, tenants are, by and large, low-income. There are some high rollers, but most of them are low-income. Most of them won't have a good understanding of how the system works. Landlords, because they're in the business and they can write off the legal costs, will have legal representation. You mentioned that you see the role of the member to assist in these things. Would you see the evolution of the equivalent of a duty counsel to help those who are underrepresented? You can't both assist and judge at the same time. Do you see a role for the equivalent of a duty counsel for those tenants who need representation?

**Mr Horrox:** Quite frankly, I haven't given any thought to the position of a duty counsel. What I do see here is a role for the ministry offices. I mentioned in my comments about the exemplary performance of my own staff in the federal government. One of the things we set out consciously to do, as far as it was humanly possible to do it, was to help everybody who walked through the door of our office. Whether it's by way of guidance, referring them to a lawyer, referring them to some other level of government or whatever, it's to help them.



I would see that there's a role here for ministry offices to advise tenants; in other words, I would see part of their role to assist people who may be going before a tribunal. I guess I'd have to think more about the idea of the duty counsel, but certainly I believe that it's necessary that information about the statute, how the tribunal functions and so on goes forth, and there's certainly a role for the ministry offices in that regard. The creation of 1-800 numbers and that sort of thing would be beneficial as well.

**The Chair:** Last question, Mr Cullen.

**Mr Cullen:** The last question has to deal with the whole notion of harassment. From time to time you are likely to see a pattern of activity from one particular landlord or another. Most landlords are fine. I want to underline that fact. But we have a landlord-tenant act. We've had this business because from time to time there are disputes and from time to time there are bad tenants, there are bad landlords.

But where you see a pattern developing of harassment coming from one particular building or one particular landlord, do you see therefore an opportunity for the board to apply the provisions of the act, to take the initiative? It may not be just one tenant; it may be a series of tenants who do not come together but who establish a pattern that there is harassment going on in the building, that repairs aren't done unless rent increases are agreed to, that people are being forced out to accommodate higher rents. Do you see a proactive role for the tribunal to defend the provisions of the act against harassment?

**Mr Horrox:** I'm not sure I see a role for the member of the tribunal in that regard, but generally believing that it's better to be proactive where problems emerge and try to head them off before they become bigger problems, I certainly think there's the possibility of another employee of the ministry intervening with a particular landlord. It would almost be some kind of mediation. In effect, you're saying to the particular landlord: "We've had these cases come before us. It's not in your interest or in our interest to continue with this high number of complaints. What can we do to resolve it?"

As I mentioned earlier, the act does provide for mediation on particular matters before the courts, but I don't see anything that precludes an initiative, where there's a clear pattern of abuse of the statute, for that type of activity to take place. I don't think it's appropriate, quite frankly, for a member of the tribunal to do it, but information along that line could be funnelled to others who would take up that particular task. I think in the long run it would save everybody some time, money and irritation.

**Mr Rosario Marchese (Fort York):** Good morning, Mr Horrox. I just want your views on several aspects of the new Tenant Protection Act. This government has claimed on many occasions, and still does, that there is very little new rental construction in Ontario. They argued that vacancy decontrol, which is what they have instituted, will encourage builders to re-enter the market. What is your view on that?

**Mr Horrox:** I guess the argument that the ministry or the government is making is the classic argument that competition encourages people to build, in this case, and therefore there will be competition in the marketplace as additional buildings are built. In this particular case, not being familiar with the number of units being built anywhere, I couldn't comment with any degree of authority at all. I do think it's something, now that it's been enshrined in legislation, that you'd really have to look at, say, over a five-year period to see what does happen.

As a general comment, I would say that sometimes — it's been my experience in government at any rate — when statutes are amended, sometimes the worst fears do not come to fruition. An example of that was in the Canada Labour Code, when it was amended to provide for employees refusing to work in situations where they considered the work to be dangerous. There was a big hue and cry at that time that employees would abuse that right.

It was my experience, both working as an officer and management with the federal Department of Labour, that with a few notable exceptions, employees were very responsible in exercising that right, and the fear of employers that they would be put through their paces and would lose money by people frivolously refusing to work simply did not come about. So I would have an open mind on the particular subject, as to whether the legislation will do what it wants to do.

**Mr Marchese:** Sure, and I appreciate the latter comments. I appreciate your comments on the competition component of the argument you're making.

Vacancy decontrol plainly means that when somebody moves and you move into another unit, the same building or a different unit, the landlord has the ability to raise rents according to his wishes, however much he or she thinks they can get out of the apartment. In New York we discovered that in 1971, when they removed vacancy decontrol, the average rents increased 52%. There was no new construction. The claim was that there would be a whole lot of new construction happening as a result of removing rent controls.

Decontrol is just one component of removing rent controls — not entirely, but halfway there. The intended effect of what these folks want to do didn't work in New York. We believe vacancy decontrol will increase rents and will not in any proven way show that this will create more construction. Do you have an opinion on what I just said?

**Mr Horrox:** I've read the material relating to rental housing and rent controls. There are arguments on both sides. I remember reading a Swedish economist, whose name I forget now, saying that the easiest way to destroy a city, short of bombing it, was to impose rent controls. So there are two different views in this particular area.

**Mr Marchese:** There are indeed. I remember that view, yes.

**Mr Horrox:** A comment I'd have further to that is that when rent controls were imposed back in 1975, I believe, after the 1975 provincial election by a Conservative government, inflation at that time was running at 18% and



20%, and clearly rents in some cases were spiralling out of control. Some 22 years after that, we live in a low-inflation environment and the social conditions are somewhat different. Just how this would play out over the next five years may be different than it has in the past, but as I said in my answer to your last question, I've got an open mind on it.

1020

**Mr Marchese:** We could spend time on just that one probably for the 10 minutes, but I want to move on to other income information, other questions.

There's a section in the new act — I believe it's 200 or 230, but I think it's 200 — where they now say that they've put protection into the act so that those who could become victims of landlords when income information is used are protected by a second part of that section, so there's an A and a B section. The first part says you can use income information as a landlord, but the second part says you can't discriminate on the basis of income information. So they say, "You see, we're protecting the tenants."

My view is that the landlord will use the first section, which says it's legal to use income information, and the second part, which prohibits them from discriminating on the basis of income, will never be used. The tenant will never know whether or not they've been discriminated against because the landlord's not going to say, "Oh, you're on welfare," or "Oh, you're only earning \$15,000 or \$20,000 or \$22,000 and we're not going to rent it to you." They're going to use the information, not rent, and you as a tenant can never prove, when they come before you, that there was discrimination based on income information. I've got a problem with this and wondered whether you have a view on that.

**Mr Horrox:** I would answer by saying that what's put in the statute may pretty much mimic what's going on now in the marketplace with respect to rents. As to whether that situation would be altered under this new legislation, I'm not really sure. People obviously working with this legislation, and perhaps yourself as an elected representative with more experience in that area, could comment more accurately than I could on that. Certainly, I suppose there's the possibility of that happening.

Going back to my comment about workers not abusing the right to refuse dangerous work, what will play out over the next five years is a scenario in which people either abuse that, as landlords, or it's minimal and those exceptions to the rule are dealt with on an ad hoc basis.

**The Chair:** Thank you, Mr Marchese.

**Mr Marchese:** That was 10 minutes?

**The Chair:** That was.

**Mr Marchese:** You're kidding?

**The Chair:** I'm serious.

**Mr Grimmett:** Good morning, Mr Horrox, and welcome. Two weeks ago we had Mr Puta-Chekwe in here. He's now the chair of the Ontario Rental Housing Tribunal.

**Mr Marchese:** That's what I wanted to ask him.

**Mr Grimmett:** I'll ask the question for you. I'm sure it'll be put in the same way.

We have actually with us a quote that we managed to get from Mr Puta-Chekwe. This was in regard to keeping cases moving and dealing with backlogs. I'll be brief in reading it here: "In the case of full-time members, I think what should be made very clear from the outset is that if there is a backlog that I find intolerable, in accordance with rules that have been stated clearly in advance, then I will not hesitate to go to the minister, if need be to the Premier, and ask for a revocation of the order in council" appointing the member. "You have to be that firm. If you aren't, things will become lax, backlogs will build up and the whole situation will become intolerable."

My question to you is: In your past experience, have you had to deal with these kinds of deadlines? Are you confident that you can provide oral or written decisions that promptly?

**Mr Horrox:** Yes, I am confident I can do that. I agree with the substance of the comments. Backlogs have got to be dealt with quickly. I understand there's some level of backlogs. I don't know what the backlogs are, but certainly I think new appointees should be prepared to work extra hours and so forth to try to reduce those backlogs.

I think very strict requirements should be put on tribunal members to render decisions and, where requested, put them in writing; issue those decisions in writing. I've seen various tribunals take a year to issue a written decision with no clear reason as to why it should take that long. So certainly whatever requirements are put into place, and allowing for the exception where maybe some research has to be done or whatever to come up with a decision, I have no problem with those time lines being put in place. In fact, I think for the proper processing of the tribunal business, they're essential.

**Mr Grimmett:** Along that line, I wonder if you had any thoughts somewhat similar to what Mr Cullen had said. A lot of the people presumably who would come before this tribunal would not be represented by counsel. Do you have any thoughts on how the process might be made simple enough so that both landlords and tenants would have the confidence going in that they would be able to work their way through the hearing without having difficulties with the process?

**Mr Horrox:** There's an education role for the ministry itself through its own district offices educating landlords and tenants as to how the process would work. I don't see anything wrong, as a tribunal member, should I be appointed to the position, of clarifying at the outset of any hearing how the procedure should work and so forth.

Above all, as a member, you should be looking at the possibility of mediation. I'm not sure, not having worked with this legislation, how many of these things could be mediated, but certainly before they get to the tribunal stage, there should be a very careful assessment made as to which ones can be mediated. That would save time and money for everybody and process the tribunal business quicker.



**The Chair:** Thank you very much for joining us today. We'll be dealing with the motion for agreement with the appointment at the end of this morning's session.

### DOUGLAS LAWSON

Review of intended appointment, selected by official opposition party: Douglas Lawson, intended appointee as member, Ontario Arts Council.

**The Chair:** Could I ask Mr Lawson to come forward, please. Welcome. It's nice to see you again.

**Mr Douglas Lawson:** Madam Chair, very nice to see you.

**The Chair:** If you have any opening remarks, we'd be pleased to hear from you. Then we will begin questioning with Mr Marchese or Mr Kormos.

**Mr Lawson:** I want to thank you for this opportunity, particularly because the process that this committee embarks upon is extremely important. Others may have a different view, but I can tell you that my view is that it is an excellent opportunity and an appropriate process. I look forward to it.

By way of a little background, you should know that I was born in Windsor and I still reside in Windsor. Frankly, I only left Windsor to go to University of Western Ontario for law school since there wasn't a law school at the University of Windsor at the time I went to law school. My education at Western was in the early 1960s. After I graduated there, I went right back home and was hired by the McTague firm, of which I now am the chairman. So I'm pretty stuck in the mud really in terms of my scope of where I reside and work, but I enjoy it thoroughly.

I was mentored there by a person some of you would know, the late Charlie Clark. Charlie said a lot of things to me, but one of the things I remember very well is the importance of what you owe your community. I won't belabour that other than to say that my interest in things outside of law that relate to volunteerism and so on really came from that sort of mentoring. I can tell you that it was very, very good advice and it's one of the reasons why I'm here today.

I'm a corporate commercial lawyer. Our firm has about 40 persons employed in it. I'm the chairman of the firm and the senior partner.

I thought I might give the committee a minute on some of my outside interests, which I think do reflect upon the questions of the day today. In particular, I was lucky enough to be selected as the president of the Windsor Chamber of Commerce back in the early 1980s. That led to an opportunity that I thoroughly enjoyed — that was in 1984 — being the chairman of the Ontario Chamber of Commerce. It got me down to Toronto. It made me understand a little better how big business and small business work, and even understand a little bit about government at that time because the chamber always interfaced with government.

In the health area, as some of you may know, I became the chair of the Essex County District Health Council in

the late 1980s, something that, when I got into it, I didn't really know very much about but enjoyed thoroughly. That led to the formation of the Association of District Health Councils which I helped steer and was its first chair in 1990. That was the federation that all DHCs belonged to, and helped with health issues from a community perspective in interface with the government in terms of planning issues.

### 1030

Elinor Caplan asked me to serve on the Orser commission, which she did very tactfully, because had I known how much time it was going to take I probably would have still said yes, but it was an interesting couple of years in the early 1990s. I got involved in a regional planning report where I chaired a regional planning commission, made some recommendations to the government of the day in 1993 and 1994, and then in 1996 was appointed to the Health Services Restructuring Commission, which I am still a member of and thoroughly, thoroughly enjoy.

I have an education interest and I serve as the vice-chair of the University of Windsor. If things go according to plan, they tell me that in a couple of years I may end up as chair of that university, and it would be a great honour if I did.

My interest in arts — and I will then stop — has been long-standing. Certainly from a participating standpoint, I like to go to Shaw and Stratford and the Windsor Light Opera, which I do every year. I studied music for 10 years and I still play the piano. I have a violin that I play at home but I don't get it out.

I have a great interest in the visual arts. My interest probably stems from my mother and father. My direct experience has been with the Art Gallery of Windsor, which as you know has been through a very interesting transition, moving into malls and out of their then-current home. I represent them as legal counsel but, more importantly, I've tried to help guide some of that experience. It has been fascinating, I might say.

But even things like Art in the Park in Windsor, which attracts one out of every three people and is sponsored by the Rotary Club, raised half a million dollars. I'm active in that every year. I love photography, and I don't just mean candid photography but I actually take pictures and get them framed and that kind of thing, which I also consider amateur art in my case.

If appointed to the arts council, I hope to bring some community and business perspective. Thank you.

**The Chair:** Thank you very much, Mr Lawson. We will begin with the New Democratic caucus.

**Mr Peter Kormos (Welland-Thorold):** I think you're an ideal candidate. The last person I was involved with interviewing was Linda Frum, who's now on the arts council. They don't have a whole lot of assets or budget in any event to deal with.

I've got to tell you something. As I say, I think you're an ideal candidate. I can't vote on this committee but —

**Mr Marchese:** That's why he thinks you're ideal.

**Mr Kormos:** No, even when I was still a member of the committee I would have said that. But you put down:



"1992, awarded by the Governor General of Canada the commemorative medal for the 125th anniversary of the Confederation of Canada." I've got to fill you in on the background of that. I mean, I've even got one. Ms Lankin got one. Mr Marchese got one.

**The Chair:** Is that some reason to devalue the worth of the medal?

**Mr R. Gary Stewart (Peterborough):** Is this patronage?

**Mr Kormos:** No, no. Let me flesh this out. That was one of the biggest scams ever pulled off. What happened is that every MP and every MPP across the province could submit 25 names of people who they wanted to receive the medal. I could have named my dog, Charlie.

**Mr Marchese:** Charlie too?

**Mr Kormos:** If I had been so inclined. I just wanted to spill the beans behind that medal.

**Mr Lawson:** I heard similar stories, I must say.

**Mr Kormos:** It was a partisan public relations exercise. As I say, I remember every member of the Legislature, the opposition party, 25 names. Bingo, they got the medal with no screening. Again, you've got so many other qualifications, but I just wanted to spill the beans on that because some of the other folks here weren't around in 1992 and weren't able to participate in it. It was a really crass political sort of thing, but they did share it with the opposition, so what the heck. But I'm urging Mr Marchese to support your appointment here.

**The Chair:** Mr Marchese, do you have any questions?

**Mr Marchese:** Just to tell you, he's got a bias. He's a lawyer, as you know, and he also has a keen interest in photography as well.

**Mr Lawson:** I didn't know that.

**Mr Marchese:** He might want to tell you after the interview.

**Mr Kormos:** I should mention that I don't know very many corporate lawyers. I know a whole lot of criminal lawyers, for very special reasons, but I've never had occasion to use a corporate lawyer. But I kind of figure they're okay.

**Mr Marchese:** I just want to thank you for coming.

**The Chair:** Do you have any questions of the witness? If not, we can economize with some time here.

**Mr Marchese:** I have a question. I have a keen interest in the arts and I really believe there is a role for government in the arts. If you've seen the funding cuts made by them, it's pretty serious stuff. In 1994-95, while we were still in, the budget for the Ontario Arts Council was approximately \$43 million. By the end of their term it will be down to more or less \$25 million. It's a serious cut. I believe if the government isn't playing a big role in the arts, the arts will be in trouble. There's no doubt some will survive, but many won't. I just wanted to know your feelings on that.

**Mr Lawson:** I am a great supporter of the arts. One of the ways to support the arts is money, and I agree with that, but I don't think that's the only way. Frankly, I've listened to some things Mr Jackman has said, as the new chair, and I've got to tell you I concur. There are ways

which other segments of the community need to step up to the support of the arts, and I don't think it's as simple as handing out government grants. They should continue. They should be encouraged. That's one of the things he said to me when he spoke to me and asked if I had an interest. He said, "We need to encourage business; we need to encourage the community; we need to encourage local municipal councils; we need to encourage all sorts of other parties to come to the support of the arts." I think he's right when he says, "We don't want to diminish the arts but we need to partner to make it happen."

One of the things I noticed that has happened, apart from funding cuts, is that there's been an approach for matching. In other words, where there are government funds, there's a matching process that is asked be solicited from the various communities and groups. I'm very much in favour of that. I really think that helps. I'm extremely sympathetic to the arts but I think it needs to be done more partneringly.

**Mr Marchese:** I hear you and I'm extremely worried about it. This government supports this very much, of course. I like Mr Jackman. He's a fine man. I don't disagree with the view that we should try to involve businesses as much as we can, and to do more. Obviously, a whole lot of people in this society are competing for those few bucks that are out there and I think you know that.

**Mr Lawson:** Yes.

**Mr Marchese:** Everybody's going to the same sources for the few bucks that are available. The few bucks that might be available from some millionaires will go to the big institutions, and I think you're aware of that. The little cultural organizations are not going to be able to compete for those bucks. I'm not sure whether you agree with this, but I have profound worries. Governments like France and Italy and others have a strong governmental role, and culture has an important role in governments. Not even that, they're one of the most important ministries in those governments. Here, they're the least important.

I am profoundly worried about the direction this government is moving in, and the direction Mr Jackman and you seem to be moving in, because it will encourage further cutbacks of moneys from government and encourage this kind of activity, which in my view is not going to lead to positive things for culture in this province. Any response to that?

**Mr Lawson:** I do have a response. The big and the small question is always a question — not just in arts. I'll just go back to my own experience. It was a huge question in chambers of commerce, because you have small business and you have huge multinationals. When you are an association or a government and you are supporting that myriad of interests, large and small, there is always a dichotomy between the two. So I agree with you that it is a concern. I hope, and this is my own personal view, that concern can be addressed by the arts council. You have to look beyond the dollars to see the number of people, the number of organizations and the number of communities that are benefited by the arts.



One of the things I hope would continue to happen is that of the 300-odd communities that are being supported by the arts council — and I think there are almost 2,000 artists, and there are some very small artists, and at least over 800 organizations — that could continue and perhaps be expanded. I really think that's important.

**The Chair:** Thank you very much, Mr Marchese.

**Mr Marchese:** We ran out of time.

**The Chair:** Unfortunately some of your time was used otherwise.

1040

**Mr Joseph Spina (Brampton North):** Thank you, Mr Lawson, for coming forward for this appointment, because you have a tremendous amount of calibre in terms of the amount of ammunition you can provide to this position. I don't mean to put it in that sort of aggressive way.

I was interested in my colleague's comment about his great interest in the arts. I didn't know whether to get him a new set of Crayola crayons. That's a cheap shot, Rosie. He talked about cuts to the arts, but last year there was an additional investment of over \$16 million put into the arts. That helped over 1,000 artists and over 650 various service organizations.

I was interested in your involvement in Windsor. As an alumnus of the university, I was privileged to see the success of Art in the Park. I watched it start in its fledgling stages, and then as it grew into the success it is now; also, some of the big challenges that the gallery in Windsor faced with the onslaught of casino ideas.

I was interested in your comment about getting other partners involved in the funding of arts and cultural services. What incentives do you think an arts council could consider to try to get more corporate involvement and private sector involvement in the arts?

**Mr Lawson:** The one that is most obvious to me is some sort of system where, for each dollar or two dollars or whatever number of dollars are granted, there needs to be some local fund-raising or local matching, or there needs to be a local foundation created that would match, that sort of thing. Most larger arts organization, and the Art Gallery of Windsor is one of them, have a separate foundation, and most of them are supported, if they're large enough, by the local municipality.

I think there's some major responsibility to continue to do that at the municipal level; I think there's a major responsibility of corporations to step up and help match grant funds; and I think the federal government has some responsibilities as well. It's a four-sided or five-sided problem, and you have to balance them all and use them all in a way that's effective.

**Mr Spina:** In reference to Mr Marchese's comment about how other countries have a substantial investment in the arts and culture and so on, if I compare Europe, being more or less the cradle of culture and arts and so forth through the centuries in various eras — I look at North America, Canada in particular, and what I see by comparison is a very young, fledgling emphasis on culture. Would you say we still are striving to achieve the level they have in the European context? We don't have Greek

ruins and Roman ruins to preserve, with millions of tourists coming to visit annually to help pay for the support of that, but there are a number of other things we can try to work towards developing. Is there something we can do to help educate our public to support culture and the arts?

**Mr Lawson:** It's a continuing battle. North Americans, in my view, are not as sophisticated in the arts as the Europeans. I think it's partly heritage; I think it's partly that we're a very new country. But that's no excuse.

For example — and I can only go back to my own experience — one of the things that will hopefully happen in Windsor and I hope in other communities is that we can get the art gallery back downtown. You need to go down to the heart of a city, where people are going to be, where tourists are going to be, where families come for entertainment or meals and that sort of thing. That's one of the reasons you need to be really vigilant about exposing the arts to people. It's a battle; it's tough. You've simply got to get the profile up high so people see it in very visible places.

**Mr Spina:** Do you think you can get Mike Hurst to give the convention centre over to the art gallery?

**Mr Lawson:** You never know.

**Mr Spina:** Thank you, Mr Lawson, and I wish you well.

**Mr Michael Gravelle (Port Arthur):** I want to say that I did not receive the Canada 125 medal, and I would have been delighted to have done so. I'm sure Mr Lawson was proud to get it. Certainly the people in Thunder Bay who received it were very pleased to receive it.

**Mr Kormos:** You're an MPP and they never put you on their list?

**Mr Gravelle:** I was not put on the list, obviously.

Mr Lawson, good morning. If I can pursue to some degree the tack taken by Mr Marchese, there's an agreement that the private sector has a role to play, and you mentioned municipal councils as well. With the difficulties the municipal councils are now facing in terms of funding, it's unrealistic to expect them to perhaps contribute more than they already do. Do you not agree that there is a point past which it's also unlikely to expect the private sector to support the arts? They'll simply go so far, and there is a point where the private sector, if you say to them, "Gee, we think you should be supporting the arts" — do you agree that there is a point and that the government has to make clear that its role in terms of funding support is very strongly there?

**Mr Lawson:** I think there always is a point. For example, it would be obvious to probably everybody in the room that if there was no support from the arts council or the government for the arts in this province that's unacceptable, and I think that is unacceptable.

The question is, what's the point? I've got to confess that I am not sophisticated enough, because I haven't been on the arts council, to know where that point is or even really focus on it, except to say that while the funding has been cut — it's cut back to about the level it was 10 years ago, and there has been inflation since then. But it if you



go back to the history — I know a little bit about the history of the arts council — it started at \$600,000 in the 1960s. I don't think that was acceptable either, but it was better than zero.

Yes, there's a point. I don't know what the point is, but the arts absolutely deserve substantial support from government and from other sources.

**Mr Gravelle:** It's pretty clear that the private sector is very supportive of the arts, and I think we even support partnerships. There is a study I recommend you look at, which really makes a pretty clear distinction as to what point that is, and to have that expectation of putting more pressure on the private sector seems wrong.

There are some who believe that ideally the government would prefer that the private sector does fund the arts. There's a belief that indeed it should be the private sector that is funding the arts. Would you subscribe to that?

**Mr Lawson:** No, I wouldn't. The argument I like to make when I hear that one made by others — I know you weren't making the argument; you were simply raising it — is that there's an economic benefit to funding the arts. In fact, the work that has been done that I've read shows that the return is greater than the amount invested. Forget that you like art and support the arts and culture. If you want to justify it on an economic basis, you can do so, and I think that's a very strong argument.

**Mr Gravelle:** That's one of the things that troubles those of us who have watched these cuts take place. We have seen organizations, quite frankly, very much in survival mode, particularly the not-for-profit organizations, the small organizations that are really in survival mode. The facts you state are absolutely true. When the funding under the previous government was \$42 million, \$50 million came back just in tax revenues. It has always seemed strange to me, and when you relate it to the funding levels now, they really are at 1974-75 funding levels when you take into account the inflation.

That's why we're troubled. There's a real economic benefit and there's no question about the tourism attraction, yet the government, by making the major cuts they have made, have put a number of organizations in the position where they are literally in survival mode or can't survive.

I guess the question I really have is, do you support an increase in funding to the arts council? Is that something you would advocate?

**Mr Lawson:** I can't agree with that, because I frankly don't know. I really have not got into looking at the history. I know there have been some cuts. I have an open mind.

**Mr Gravelle:** That's fair. May I ask you about the peer assessment? As you know, the Ontario Arts Council is arm's length, and I think we all agree that's as it should be. The awards are frequently are given out by juries of peers. There has been some talk and some speculation that indeed the government may move towards making some appointees to those peer-assessment juries who aren't necessarily peers, members of the board themselves. Have

you heard anything about that, and what do you think about that possibility?

1050

**Mr Lawson:** I haven't heard a thing about it, so I'm not familiar with it. My gut reaction is that peer assessments make sense. In all the professions, and that includes the legal profession and others, review by peers is an appropriate way to deal with a lot of matters. That's my inclination, but I don't know the issue. I'm sorry.

**Mr Gravelle:** In the recent budget, there was the announcement of the cultural attractions trust fund, which in essence is more of a loan program, and the arts endowment fund as well, which of course is the matching dollars, and then you feed off the interest. I think the larger organizations find that attractive, as many of them have their own foundations. Clearly, for the smaller organizations it might be difficult to raise the money, because more and more organizations, with the cuts in funding, have cut staff, and a lot of people who are artistic directors are also fund-raisers.

Would you support some support for organizations to have fund-raisers as part of their staff, in that the move seems to be expecting more and more support on a private fund-raising basis? Would you support some kind of funding for that, for organizations to have fund-raisers?

**Mr Lawson:** Actually I don't agree with your premise. I don't think that the two announcements you refer to necessarily prejudice or need to prejudice the smaller arts organizations. I've seen this problem in a lot of places, including my home town. What you can't have is a foundation on every corner raising money, and I think that's the issue you're really referring to.

**Mr Gravelle:** That's right.

**Mr Lawson:** What we've done, and I know other cities have, including Vancouver and so on, is that we've created the Greater Windsor Community Foundation, with is the foundation for all large and small member agencies. The United Way has done the same thing. Some innovative thinking can go on here in the arts community, where the large can protect and help the small in a joint way, and that's the kind of thinking that I think should go on.

**The Chair:** Last question, Mr Gravelle.

**Mr Gravelle:** You're talking about the arts endowment fund being for the community of Windsor, and the arts organizations are a part of it. Is that what you're saying?

**Mr Lawson:** No. The arts endowment fund is for all of the arts in Ontario, but somehow you've got to get membership in that and access to it and participation and joint fund-raising with big and small, and I think there's a way to do that.

**Mr Gravelle:** Do you think the government should be playing a more positive role in terms of its attitude about arts and culture?

**The Chair:** There's anarchy in this committee. This is the last question, but make it quick, please.

**Mr Gravelle:** Those of us who are critical of the government believe they have devalued the arts. They do not value the arts, but they could play very much a



leadership role and a very positive role. Do you agree that indeed the government itself should be out there proudly saying, "We are very proud to support the arts and here's why"? We don't believe they've done that in any real fashion, and I think that's hurt the arts community in a very real way.

**Mr Lawson:** I'm a great booster of the arts. I don't have a view that's contrary to either yours or the government's. My view is that we should simply do our best, increase participation and get the private sector involved. I thought the two funds that were announced this year, I've got to say, when added to the \$25 million in grants, were a very significant step forward, not backwards.

**The Chair:** Thank you very much, Mr Lawson. We appreciate your time here with us today.

We'll move to concurrence. Are there any committee members who wish to deal with these two intended appointments separately?

**Mr Cullen:** Yes.

**The Chair:** Okay. We'll deal first of all, then, with Mr Horrox. Could I have a motion for concurrence in the intended appointment of Mr Horrox as a member of the Ontario Rental Housing Tribunal?

**Mr Grimmett:** I so move.

**The Chair:** Thank you, Mr Grimmett.  
Is there a debate?

**Mr Cullen:** We will be supporting this appointment, but I think there's something to take away from today's session with Mr Horrox. Mr Horrox, when asked about how the tribunal should conduct itself in terms of dealing with the clientele that will go before the tribunal, mentioned on more than one occasion the need for the ministry to ensure that there's public education, the need for the ministry to ensure that there are appropriate resources, in some instances, to do with mediation etc.

The success of the so-called Tenant Protection Act will depend upon the amount of resources devoted to this long-standing issue. You can't get away from it. Landlord-tenant problems have been around since the dawn of time. We should have a fairly straightforward, simple way of dealing with it, and the government has produced this new system to do so. But the fact remains that you can't expect the tribunal to do the job if it doesn't have enough resources. If public education, if the support for the tribunal is not there, the system will not work.

I think there's a lesson to be learned here and I'm hopeful that the government side will ensure that there are sufficient resources to make this thing work. I have to tell you that we have a crisis in affordable housing in Ontario. There's going to be more pressure put on our system dealing with disputes, and we should be forewarned.

**The Chair:** Any further debate?

**Mr Stewart:** I'm requesting a recorded vote, Madam Chair.

**The Chair:** Moving to the vote, all those in favour of the motion for concurrence in the intended appointment of Mr Horrox, please indicate.

## Ayes

Cullen, Fisher, Gravelle, Grimmett, Marchese, Newman, Spina, Stewart.

**The Chair:** That's unanimous. Carried.

May I have a motion of concurrence in the intended appointment of Mr Douglas Lawson as a member of the Ontario Arts Council?

**Mr Grimmett:** I so move.

**The Chair:** Mr Grimmett, thank you.  
Is there any debate?

**Mr Marchese:** Just to say for the record that the cuts this government has made to the Ontario Arts Council are a tragedy, in my view. I hear what Mr Lawson says. I think he's a person very interested in the arts and I respect that. I just hope he remembers once he's there that the little cultural organizations that thrive all over Ontario, not just in the cities, are an important part of who we are as a people and that they will suffer indeed.

He says he doesn't believe it should be that way. I'm just making the point while he's still here that I believe it will be that way, and I urge him while he's there to look at that as the funds are dispersed around the Ontario arts endowment fund. I remind him that the cultural attractions trust fund will go to the big organizations, obviously, and the little ones will suffer unless he's there to protect them.

**Mr Gravelle:** I'll be supporting Mr Lawson as well, but I also want to express some concern that this government is making it very clear that they believe the private sector should be even more involved. Mr Lawson made reference to that, and I think that when he's talking to his colleagues out there, he will find that many of them are feeling under extreme pressure as a result of that.

The concerns we have are that the smaller organizations in particular — all organizations are suffering. Even the large organizations are under a tremendous amount of pressure. There has been a real impact. Those that get supported by the Ontario Arts Council — and there are other funding concerns outside the Ontario Arts Council as well that we could talk about at some length.

Mr Lawson is obviously someone who is very sincere and I've heard some very fine things about him previous to his coming to our meeting today, but I want to express those concerns, concerns we've expressed inside and outside the Legislature on a regular basis. The local community groups in the arts, culture and heritage sector are telling us how difficult it is for them to carry on.

The Ontario Arts Council is an extremely important funding body. I believe their funds should be increased to reflect that. The fact is that they're now at 1974-75 funding levels. It has been very difficult for small organizations, and I do not believe the cultural attractions trust fund and, for that matter, the arts endowment fund, unless there is some real creativity, will be able to be accessed in an easy way by the smaller organizations and certainly individual artists. I want to make sure that is on the record.

**The Chair:** Thank you very much. Any further discussion?

**Mr Stewart:** Recorded vote, please.

**The Chair:** Recorded vote. Moving to the vote, all those in favour of concurrence in the intended appointment of Douglas Lawson as a member of the Ontario Arts Council?

**Ayes**

Cullen, Fisher, Gravelle, Grimmett, Marchese, Newman, Spina, Stewart.

**The Chair:** It's unanimous. Carried.

May I just make a procedural comment? While members are well within their rights to ask for these

motions to be split, if they are dealt with together you are still able to speak to each of the appointments. It's not necessary to split the motions and votes solely for the purpose of speaking to the appointment. It's obviously of interest if there is a desire to have a negative vote. I just put that out, but it's within your rights.

I'll indicate that the next time we come together, questioning will begin with the government caucus.

I ask members of the subcommittee to stay behind for just a few minutes so we may deal with the question of whether there will be committee hearings in the month of July.

Is there any other business? Seeing none, adjourned.

*The committee adjourned at 1100.*





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Second Session, 36<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**  
Deuxième session, 36<sup>e</sup> législature

# **Official Report of Debates (Hansard)**

**Wednesday 24 June 1998**

# **Journal des débats (Hansard)**

**Mercredi 24 Juin 1998**

**Standing committee on  
government agencies**

**Intended appointments**

**Comité permanent des  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 24 June 1998

Mercredi 24 Juin 1998

*The committee met at 1000 in room 228.*

## SUBCOMMITTEE REPORT

**The Chair (Ms Frances Lankin):** I call the meeting to order. Just before we start, I would like to ask that members of the subcommittee stay behind after adjournment of the committee meeting for a quick discussion about scheduling of meetings over the intersession.

The first item of business is to accept the report of the subcommittee on committee business dated Thursday, June 18, 1998. I require a motion to adopt that report.

**Mr Bill Grimmett (Muskoka-Georgian Bay):** I so move.

**The Chair:** Any debate or discussion? Seeing none, all those in favour please indicate. Opposed? Carried.

## INTENDED APPOINTMENTS

## RON BARBARO

Review of intended appointment, selected by official opposition party and third party: Ron Barbaro, intended appointee as chair, Ontario Casino Corp board of directors.

**The Chair:** The second item of business is an appointment review, from a certificate dated June 11, 1998. We have invited Mr Ron Barbaro. Could you come forward please, sir.

Mr Barbaro is an intended appointee to the position of chair of the Ontario Casino Corp board of directors. We welcome you here today. If you would like to take a few minutes to make any opening or introductory comments, please feel free. When you are finished we will begin questioning with members of the government caucus.

**Mr Ron Barbaro:** Thank you and good morning, everyone. The reason I accepted the Premier's challenge was that I appeared to possess the many skills required to make a difference at the casinos and to add value. I qualify for that by, number one, the running of a billion-dollar business. I'm not a stranger to that. As president of the Prudential worldwide operations, we had over \$300 billion in assets, and most of that stuff reported to me. So the numbers do not scare me.

Economic development: I've been thoroughly involved in that throughout my career, but particularly locally, building the Consilium for the Prudential out in Scarborough, 95 Wellington, and what have you, so the con-

struction end of the business which we are involved in does not disturb me.

Tourism: After 10 years as chairman of the Toronto zoo, taking it from approximately 500,000 attendance to 1.8 million set us up to compete for the entertainment dollar and to work on quality service, which is a division of the casinos.

As far as volunteerism goes, spending 40% of my working life, I show the sensitivity that is required for this type of job, from being chairman of the United Way, Kids Help Phone, Medic-Alert, you name it.

As far as creativity is concerned, I think I possess some of those blessings. Most of the business books in the United States in the last while on creativity have given me honourable mentions, if not chapters, so I think I qualify.

I probably could sum it all up. I've been working on a mission statement — I hope I can read my writing from the subway this morning — and I'd like to read it to you. It will take a second. This naturally would be a changing mission:

To be a leader and creative innovator in the North American gaming industry by providing a top-quality gaming experience in order to promote tourism, enhance economic development and generate revenue for the people of Ontario in a socially responsible, safe and secure manner.

**Mr Grimmett:** Welcome, Mr Barbaro. You're probably the best-dressed person we've had before the committee in a while. I should tell you that I sit right next to Mr Guzzo, the member for Ottawa West, and he claims —

**Mr Alex Cullen (Ottawa West):** Ottawa-Rideau.

**Mr Grimmett:** Ottawa-Rideau. I'm sorry. He claims that he knows just about everybody on the Who's Who list from Canada —

**Mr Barbaro:** Am I on that list?

**Mr Grimmett:** — but I understand that he actually does know you.

**Mr Barbaro:** Yes. Let me get this straight. It's Garry, isn't it?

**Mr Grimmett:** Right.

**Mr Barbaro:** Garry is my mother's sister's husband's — his brother was Garry's father. I think that's the way it works.

**Mr Grimmett:** He claims he's related to everybody that way.



**Mr Barbaro:** Actually, his father worked for Met Life and I sort of wrote him off a long time ago.

**Mr Grimmett:** I guess your relations haven't been too close; I hear you thought he was a Liberal.

**Mr Barbaro:** Absolutely. Incidentally, I was raised that way also.

**Mr Grimmett:** I see.

You talked about tourism briefly in your mission statement. Can you give us some idea how you see the Ontario Casino Corp being involved in the development of tourism in Ontario?

**Mr Barbaro:** I haven't got a full vision, I haven't had closure, but I met with the mayor of Niagara Falls and the mayor of Windsor already. With the mayor of Niagara Falls, I shared our views on tourism.

One small item where the creativity comes in is that a couple of weeks ago I was at a casino in Puerto Rico — I was doing a lecture there — and I noticed five-cent machines were part of the entertainment package, and the conventioners were having a great time at these five-cent machines. Then I came back and toured ours, and I noticed we do not have any. I asked the mayor, "Isn't that a more fun element, with the percentage of Americans who get 28 pulls to a dollar, as opposed to the quarter machine?" So we talked about how I wouldn't mind having a section that provides more entertainment than risk from the standpoint of the casino experience.

Then I find out — I've been working on it rather aggressively — that the five-cent machine is coming back in the entertainment casino business. That is an element of tourism that I respect, and I think that may add to the experience. I interviewed a couple of ladies in Windsor last week at that casino and asked them — they were playing the 25-cent machine — and they thought it would be a great idea if we had them. So I think you'll see that we'll make that an immediate challenge, to make sure. Of course, your operators do not want them because of higher revenue, but I'm not so interested in revenue as I am in the total package.

**Mr Joseph Spina (Brampton North):** Mr Barbaro, thank you for coming. You have an impressive list of credentials, and to answer your earlier question, yes, you are in the Who's Who. That was the bio that we got. I wasn't sure if they had enough space in there. You certainly have a long list of accomplishments. I compliment you, sir, for the amount of volunteer time you've been able to fit in with your business and corporate world over the years, the contribution that you make not just to Toronto but certainly to the province and to the country. I congratulate you, sir.

In my mind there has always been a bridge that I think could be addressed. I just wondered what your thoughts might be. The bridge that I refer to is, we have this big company called the Ontario Casino Corp and we also have this other big company called the Ontario Lottery Corp. In my opinion they're all gaming. I wondered if you saw the bridge that I see and whether it is something that would be interesting to explore.

**Mr Barbaro:** You're referring to one corporation?

**Mr Spina:** One gaming corporation for the province.

**Mr Barbaro:** Naturally I haven't had the time to review — I know very little about the administration of the lottery, other than I assume it is administered and regulated. From ours, once I get it straight, I may be able to answer in a more intelligent manner.

I've found through my experiences that when you have vertical operations — at the Prudential we used to have a property and casualty department, a life, a pension and this. If you were to change your address, you had to send four letters. I changed all that, to the tune of about \$360 million. We had to get the software done. But vertical operations, if they have the same mission, sometimes can blend and there are economies of scale and synergies that work excellently. I can't give an opinion other than it's worth investigating.

**Mr Spina:** You've been involved with the corporation for a short while now, as the president.

**Mr Barbaro:** It seems like a year already.

**Mr Spina:** It just seems like it, yes. You've developed a feel for the OCC. What are probably the most significant changes that you think should happen to the OCC from its inception to where it's headed now?

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**Mr Barbaro:** I think they're on a learning curve. Whether that curve is completed or not, I am not sure. Today I meet with the chief of the band from Rama, and I'm going there tomorrow morning to do a walkabout.

Every day they learn a little more about the gaming industry as it is, the problems that go with it and of course the blessings that go with it, so I think the administration is in good shape. I think I can make it better.

**Mr Spina:** Thank you, Mr Barbaro. We wish you well.

**Mr E.J. Douglas Rollins (Quinte):** Congratulations for letting your name stand and coming forth on this. I think it's excellent. As has been said, your credentials are impeccable.

One of the things I've noticed about Rama, because it's in an area that we hear some advertising from, is that they bring in a lot of front-line, headline entertainers. Is that something that you can see that would follow along those lines?

**Mr Barbaro:** I haven't seen the final numbers. From what I understand, it's working. They're selling out 2,500 seats, I think it is. Those people come out for an entertainment experience. They get the entertainment, the feeling, and then they may go into the casino and they may not. I know many who go just for the entertainment.

But you must remember you're in the middle of a field somewhere, and if you can draw that type of entertainment, that's smart business, and it seems to be working. I haven't seen the final numbers yet, but I know they want to continue doing it and lease the land. I'm working on a land lease right now for the people who are managing it with the band. They want to extend it; therefore, it must be working.

**Mr Rollins:** When you see headliners like Kenny Rogers and Paul Anka and some of those people coming in, you know that something must generate some dollars in



there to attract tourism to Ontario. That's what we want to see more of. Thank you.

**The Chair:** We'll move to the Liberal caucus.

**Mr Dwight Duncan (Windsor-Walkerville):** Mr Barbaro, congratulations on your appointment first of all.

On June 10, the minister announced your appointment. On June 12, with respect to Casino Niagara, you asked Stanley Beck to conduct another review of the letting of the contract for that particular casino. Were you not satisfied with the original review that was done internally, and if not, why did you appoint the second review?

**Mr Barbaro:** Not at all, Mr Duncan. I came in the middle of this fray, or whatever you want to call it, from the analysis. I read it and I didn't see anything wrong with it. I met with Minister Hodgson and he asked me if I was comfortable with it. I said: "I'm comfortable with it, but there are things when you walk into the middle of something. I've had too much experience in large business. What do you say I get a totally outside person, outside of our lawyers, take a look at it?"

We went across some names. I've known Stanley Beck for over 30 years. I called up Stanley and I asked him, "Would you please take a look at this just to give me the comfort that I think I require?" although I didn't find anything wrong. It's just an extension, coming in the middle. If I had been there at the beginning, it probably would have been a different story, but it's just a style of operation.

**Mr Duncan:** Were you concerned at all that the tourism subcommittee recommendation on Niagara Falls was overlooked in favour of the casino corporation that was chosen?

**Mr Barbaro:** I haven't thoroughly read all the files on that, but tourism — you have read my biographical sketch. I am a tourism type of person. I'm motivated in that area from all the experiences I have had, and from my meeting with the mayor of Niagara Falls, he knows I'm on that side and I will explore, if not enhance, any plans on tourism for that area. I like the area.

**Mr Duncan:** I want to ask your opinion, because your credentials are absolutely impeccable from a business perspective, in terms of the evaluation of ultimately the winning bid, the involvement and the way it was done.

Just to brief you on it, the subcommittee that did tourism did not recommend the successful bidder. In fact, a number of allegations have been stated about the whole process. Our concern is, why would the recommendation of the tourism group be overlooked? In your discussions with Professor Beck, have you asked him to look at that issue?

**Mr Barbaro:** No. My full thrust with Professor Beck was to check the process, not the content, of the acceptance. I have not gone into that in the detail with which I would feel more satisfied in replying, so I can't give you an answer to that. My whole thing is the process. I can't comment intelligently on content, although I'm learning more every day.

**Mr Duncan:** When Professor Beck has done his review, will you be releasing that review to the general public and to the Legislature?

**Mr Barbaro:** I see no reason why I wouldn't. It was a public announcement when I made it; it will be public when I get it.

**Mr Duncan:** Were you satisfied with the government's review?

**Mr Barbaro:** Satisfied? Yes.

**Mr Duncan:** You're satisfied in spite of the fact that one of the principals was actually involved in the selection itself?

**Mr Barbaro:** We don't know — explain that, please.

**Mr Duncan:** Our understanding is that one of the principals who conducted the review or participated in the review was actually part of the selection team itself and participated in meetings. Would that be the sort of situation that would give you comfort?

**Mr Barbaro:** I think that with Mr Beck's analysis we'll find out if there was a conflict there.

**Mr Duncan:** The capital contract that was done on Casino Windsor, as you know, there was an audit done of that and some changes were made subsequent to the audit. There were allegations of cost overruns that were explored, and when the audit was completed, the then chair of the casino corporation announced some changes. Have you yet had an opportunity to review the way the contract was let on the building of the design-built concept of Casino Windsor?

**Mr Barbaro:** No. I have watched the gross number and costs, but as far as reviewing how it was let, there's no way I've read anything about that.

**Mr Duncan:** Would you be prepared to review how those types of capital contracts are let so that in future these kinds of issues don't have to be explored again?

**Mr Barbaro:** I don't know if I have to do that. I know that anything I'm doing in the future will be done according to the experience that I have.

**Mr Duncan:** The Ontario Casino Corp has reaped some heavy profits for the government of Ontario. In the city of Windsor, the government has not committed to reinvesting any of the profits in terms of protecting that casino's interest in market share, with Detroit coming on stream. Would it be your intention to look at other investments with casino profits to ensure that Casino Windsor remains competitive with the three major casinos that are coming on stream in Detroit next year?

**Mr Barbaro:** You know that I do not govern where the government puts the money that we generate and give to them. That's up to you people. But I know that I am not opposed to expansion of possibilities in the city of Windsor. I shared with the mayor the other day that just from first blush I have a vision of maybe a casino college. We do not have enough skilled employees for the opening. It's going to be a stretch. We can't keep the interims; we can't keep that. We do not have it.

It seems to me that when I check the east and I phone some people I know there is a void in that area. You must go to the south. So there are opportunities for expansion. If



this is as successful as it is — whether you've seen the new casino or not, it's an outstanding project. Your provincial pride will soar regardless of what political party you are involved in. It's a magnificent structure. Whether another tower, a 400-room hotel, goes right next door or not, it's a strong possibility, so that's helping in the development.

**Mr Duncan:** I'm well familiar with the structure.

Your background is in business; you know what a competitive environment is like. There are three casinos coming on stream in Detroit next year, over \$1 billion in investment in each one of them. Is the Ontario Casino Corp in Windsor, and frankly in Niagara Falls, prepared to invest in non-gaming, tourism-related initiatives to help ensure the continued competitiveness of those casinos?

**Mr Barbaro:** I don't think I can answer that. All I have are my own opinions until I get into it deeper, but we will do everything in our power to make it an entertainment experience beyond the casino. That's just part of the whole package.

I'm aware of Detroit, and that is why I'm going to recommend to Minister Hodgson some people whom I'll add to the board, if possible, for their confirmation, people who are skilled in the competitive business, people who bring to the table other divisions of the business. I'm fortunate that I can surround myself with some pretty neat, aggressive, creative people, and we will look into those things as much as possible.

**Mr Duncan:** It has been suggested that in the Gateway initiative in Niagara Falls the tourism component has been lost as a result of the way this contract was let and as a result of the way that this business has been conducted. Will you undertake, as president of the Ontario Casino Corp, to review the Gateway proposal and to make recommendations to the government with respect to, again, tourism infrastructure investment?

**Mr Barbaro:** The mayor has promised to go through the whole Gateway portfolio with me, and then naturally I'll pay attention.

1020

**Mr Duncan:** I just wanted to share one observation with you. I too have experienced nickel slots in other jurisdictions and wondered why we didn't have them. I approached the president of Windsor Casino Ltd and his answer to me was: "I've got people lined up to play quarter slots. Why would I put nickel slots in?" Do you intend to act on those kinds of issues as aggressively as ought to be done?

**Mr Barbaro:** I will do whatever. The analysis coming in is rather positive on the nickel machine. You do not generate as much income — that's only logical — but you're not operating at a loss. You could have more revenue, but we can't just be governed by total revenue for the tourist experience. You must accommodate those things. We're on the same page there.

**Mr Duncan:** People in the gaming industry have suggested to me that the introduction of slot machines and charitable casinos can undermine the economic impact of the larger casinos. What are your views on the intro-

duction of so-called VLTs or slot machines and on the introduction of charitable casinos?

**Mr Barbaro:** I have no view at this point, but it stands to reason that if you opened something close, say in Belle River, it may affect the casino in your area. I haven't had a chance to get at that, but it will get my full attention.

**Mr Duncan:** How much time do I have left?

**The Chair:** One more question.

**Mr Duncan:** Do you believe there's room for expansion of large, permanent gaming facilities in Ontario and, if so, where would you locate them?

**Mr Barbaro:** I read a survey that was done that apparently there are some cities that were suggested. Whether or not the surveys are in depth enough — Sault Ste Marie, Ottawa, and I'm just trying to remember the other cities, I think Kingston, close-to-border towns. Ottawa's not a border town, is it? Well, maybe it is.

**The Chair:** We'll move to the New Democratic Party.

**Mr Rosario Marchese (Fort York):** Welcome, Mr Barbaro. It is Barbaro, no?

**Mr Barbaro:** You've got it.

**Mr Marchese:** We have such a hell of a time with our names. My name gets massacred often, and it's so elegant in Italian. What are you going to do?

**Mr Barbaro:** Just because you won in the soccer match yesterday, it doesn't give you these liberties.

**Mr Marchese:** I forgot to bring my flag. I had it on today.

**Mr Barbaro:** I'm surprised you got out of the convertible.

**Mr Marchese:** Not yet. At the semi-finals perhaps.

Mr Barbaro, a few questions. I have to tell you, in terms of general interest in casinos, I'm not a fan of gambling generally. One of my brothers goes to the States once a year to gamble, however. That's how I acquired an interest in the whole area.

During our term as the government, when we were discussing gambling in general, I thought it would be nice to experiment with one to see how it works out, control it in the best way possible and see whether or not there is room to expand it. But I wasn't a fan of having more than one gambling area because I don't see, frankly, the social advantages to gambling, individual or collective, and feel that in the end it's going to be more hurtful to individuals, and society in general, than anything else. I thought if you've got a lot of individuals, like my brother, going to the US once a year, then it might be nice to have it here. Instead of going there, they can go and gamble their couple of thousand dollars in Ontario. But as an economic development tool, I am a bit frightened by it.

Most governments are getting into the field, although in Alberta, as you've been reading, people have been fighting back against VLTs in particular, and I suspect there will be a growing movement across Canada to stop the growth of casinos. Do you have an opinion in this regard or are you just here to manage this corporation?

**Mr Barbaro:** What your party did, you had a spark and you fanned the spark and you got a flame. What you're saying is, you want to make sure that it doesn't turn



into a blazing inferno. As I said to the mayor of Windsor, "If I walked in here and said, 'I want to hire 5,000 people in your community and I want to spend approximately \$600 million on development,' I think you'd pick me up at the airport."

**Mr Duncan:** In a limousine.

**Mr Barbaro:** Right. As far as the economic development is concerned, this is because he didn't want to give me the land next door. That's why. I think we should have that, but that's another issue.

When you see the Windsor operation, Rosario, you will send your brother there, as opposed to the airfare to go to wherever he goes in the United States. It's only a few hours' drive. It is a magnificent structure, equal to anything I've seen in the United States. I know it, because we financed several of them at the Prudential and I got to see some of the plans of these things years ago. It's the case that we have that.

We're adding value. Employees add value. It's just the way it works. I read a statement yesterday from Niagara Falls that 3.1 million people crossed the bridge before the casino, and after one year of the casino it's 3.87 million; some 750,000 extra people coming over the bridge than the normal tourists, so something's happening.

**Mr Marchese:** I understand and appreciate that. My point is that we can't simply eliminate the drive or the urge that people have to gamble. My point is to control it as best we can. I'm not a big supporter of proliferation of casinos, is the point I make, but I realize that it does create some jobs in some sectors, although generally speaking I think it's more of a problem than a benefit.

I want to move on to some of the other matters raised by the other opposition party. In May, the Toronto media revealed that the Falls Management group was ranked third by a group of experts, and that was mentioned earlier. Questions surfaced around how this third bid was bumped to number one. We all have questions about that. Generally speaking, when somebody is at the end of the bid, as opposed to first, and qualifies to get the bid, we all have questions about how that happens. Do you have questions about how that came about?

**Mr Barbaro:** It wouldn't be fair for me to respond until I have the report to tell me if the process was right. When Mr Beck comes back, I'll be able to answer those questions.

**Mr Marchese:** Right, except when you looked at the other report or heard about it, you said you had no problems with it at the time.

**Mr Barbaro:** Yes, it read straight.

**Mr Marchese:** This is the problem I've got.

**Mr Barbaro:** This is why I asked for Mr Beck to get another — you know, outside totally: "Let's get it over, in case I missed something, in case you missed something."

**Mr Marchese:** This is the problem we have. After weeks of the minister denying any appearance of wrongdoing, he asked the Ontario Casino Corp for a report on possible conflict of interest. They asked Davies, Ward and Beck to prepare the report, and the report comes back claiming there's no appearance of conflict of interest.

People like my colleague Peter Kormos, who happens to be a lawyer as well, says, "This is like asking Johnnie Cochrane if OJ is guilty." He raises a good point.

**Mr Barbaro:** To him it's a good point, yes; not to me.

**Mr Marchese:** If you're saying that all you're going to do is ask this professor-lawyer to look at process and not at content, that's not going to be what people are looking for. I think he'll produce the same report. If he's just looking at process, the report will be not dissimilar from the previous one.

**Mr Barbaro:** I can't comment. I have to wait till I see what he comes up with. That's what I asked him for and that's what I expect to get.

**Mr Marchese:** In terms of what you think needs to be addressed by this investigation, you haven't put out any parameters or asked him to look specifically for anything. You simply said, "Just review the matter."

**Mr Barbaro:** Absolutely.

**Mr Marchese:** But it is true that Mr Beck will not have any power to subpoena witnesses.

**Mr Barbaro:** Not under my direction at this point.

**Mr Marchese:** It is also true that he will not have the power to make anybody testify under oath.

**Mr Barbaro:** No, he has the permission to ask any questions of anyone at any time, to take anything he finds in the file and interview. He can do a full court press in that area.

**Mr Marchese:** Sure, but it's just checking process, not content.

**Mr Barbaro:** The process is what caused the question of the conflict, wasn't it?

**Mr Marchese:** I'm not sure the process here checks with other matters, actually. I'm not entirely sure, but you seem to be.

**Mr Barbaro:** Neither am I.

**Mr Marchese:** I believe what we need in this kind of situation is an investigation that is more transparent, and I don't believe we're going to get it in this kind of review that you are proposing. I think we need more public scrutiny. Until we get more transparent public scrutiny of this issue in terms of a real hearing, I think the air around this matter will never be cleared.

**Mr Barbaro:** I totally respect your opinion, and you're entitled to it. I'm listening.

**The Chair:** Mr Barbaro, we appreciate your joining us. We will be moving to a vote at this point in time on concurrence. Thank you very much for joining us.

Committee, we need a motion for concurrence in the recommended appointment of Mr Ron Barbaro as chair of the Ontario Casino Corp board of directors.

**Mr Grimmett:** I move concurrence.

**The Chair:** Is there any discussion or debate on that?

**Mr Duncan:** The official opposition is going to support the appointment. We think Mr Barbaro's credentials are impeccable. Frankly, we are supporting it because we believe he can be trusted to run this corporation. We don't believe it has been well run up until now. Certainly it has been adrift for some time. Major decisions have not been made with respect to a number of gaming initiatives in

different communities. We believe the type of leadership he'll bring to this particular debate and to the running of this corporation will keep the government honest. It's the view of the official opposition that we need somebody like Mr Barbaro in there to ensure that it's run properly. The minister and the government, in our view, have not been doing a particularly good job.

We will be pursuing a number of casino corporation issues on our own in the Legislature and we look forward to the opportunity to pursue those issues. We believe Mr Barbaro will act and do what's in the best interests of the people of Ontario in this particular appointment, in this particular area. We get a little bit nervous when we see the minister's assistant frantically taking notes at the back of the room. I suspect Mr Barbaro will do what is in the interest of the people of this province first, not what's in the interest of any particular government. In that sense, we're pleased to support the appointment and believe that he will bring a sense of leadership and direction to a corporation that has sadly been lacking it over the last few months.

**Mr Marchese:** Just quickly, as we always do with so many of the appointments, we found many people to be very able in our interviews with them. In this particular case, I have no reason to doubt Mr Barbaro will do a very effective job of running the corporation. Obviously, as he

said in his goals with respect to his appointment, he's there to promote tourism and generate revenues in a socially safe and responsible manner. We know he will do that to the best of his ability. So we will be supporting his appointment.

**The Chair:** Is there any further debate? Mr Spina, you would like a recorded vote?

**Mr Spina:** Yes, Madam Chair.

**The Chair:** Is there any further discussion? Seeing none, we'll move to a vote on the motion of concurrence in the recommended appointment of Mr Barbaro as chair of the Ontario Casino Corp board of directors. A recorded vote.

### Ayes

Cullen, Gravelle, Grimmett, Bert Johnson, Marchese, Newman, Spina, Stewart.

**The Chair:** It's a unanimous decision of the committee.

Thank you very much. I would ask for subcommittee members to remain behind to discuss meetings over the summer. The meeting is adjourned.

*The committee adjourned at 1034.*





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## Assemblée législative de l'Ontario

Deuxième session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 8 July 1998

# Journal des débats (Hansard)

Mercredi 8 juillet 1998

## Standing committee on government agencies

Intended appointments

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 8 July 1998

Mercredi 8 juillet 1998

*The committee met at 1005 in room 228.*

## SUBCOMMITTEE REPORT

**The Chair (Ms Frances Lankin):** I call the meeting to order. The first item of business is to have motions to adopt reports of the committee. You have received copies of two reports of subcommittees, one dated Thursday, June 25, and the other dated Tuesday, June 30. These set out intended appointments that the subcommittee wishes to call. Those in fact are the appointments that we are primarily dealing with today.

Could I have a motion to adopt those reports, please?

**Mr Bert Johnson (Perth):** I so move.

**The Chair:** Mr Johnson, thank you.

All those in favour, please indicate. Opposed? That's carried.

## INTENDED APPOINTMENTS

## TONY SALERNO

Review of intended appointment, selected by the official opposition party: Tony Salerno, intended appointee as member, investment advisory committee of the public guardian and trustee.

**The Chair:** We'll move directly now to the appointment reviews. The first intended appointment is Mr Tony Salerno, who is an intended appointee to the investment advisory committee of the public guardian and trustee. Welcome, Mr Salerno. It's nice to see you again. We'll give you a few minutes to make any opening comments you wish, and then we will move to the official opposition to begin questioning.

**Mr Tony Salerno:** Thank you very much for the opportunity to present my qualifications and to answer any questions you may have of the same for my appointment to the investment advisory committee of the office of the public guardian and trustee. I believe a brief biography has been circulated around, so I'll just highlight some of the key qualifications I feel I have for this position.

First of all, in terms of my educational background, I hold a master's in economics from the University of Western Ontario. I also hold a master's in business administration, specializing in finance, from York University.

I've worked for the province in various capacities for the last 26 years, mainly in the area of finance. Since November 1995 I've held the position of chief executive officer of the Ontario Financing Authority, responsible for managing all of the province's finances. Currently, that includes \$108 billion in debt. Last year we raised \$11.3 billion of financing for the province and the plan for this year includes \$9.2 billion of long-term financing.

We also manage the province's liquid reserves, that range in size from a low of about \$2 billion to a high of about \$11 billion. We're trying to manage that down to as low a level as possible. In that capacity, I obviously have involvement and contacts with all the major markets, all the major investment dealers around the world. That is as well as the fact that in nominating me it's not just Tony Salerno that's being nominated to this committee, but it would be the advice and the resources of the Ontario Financing Authority as well. With that background, I'm happy to answer any questions you may have about my qualifications.

**The Chair:** We'll begin with the official opposition.

**Mr Alex Cullen (Ottawa West):** Welcome, Mr Salerno. It's not often that we get an assistant deputy minister of finance at this committee. We're pleased to have you here today. I think we can forgo the usual questions about how long you've been a Tory and have you contributed to the party. I don't think that's appropriate here.

I am interested, though, in the financial advice you bring to this particular position and the perspective from your agency with respect to the management of debt, because that's the flipside of investment. I have to note from your remarks, you mentioned that the province's debt portfolio is about \$108 billion now. Did I hear you correctly?

**Mr Salerno:** That's right.

**Mr Cullen:** The documents we have here from May 1998 speak of \$105 billion, so I guess it has gone up.

**Mr Salerno:** We've been busy. We had a very successful Ontario savings bond campaign that raised \$2 billion. We also were in the public markets during June as well, after the budget, and that also added to the total debt. This is the latest number that I just updated as of today, essentially.

**Mr Cullen:** I have to assume from your position that you're watching the capital markets closely, that interest rates play a very large factor in your decisions. Of course, as you know, we're enjoying a low-interest-rate regime



now, which has helped governments across Canada in terms of their debt charges, and we have significant debt charges here in Ontario. Can you tell us how long, or what your expectation is in terms of how long, this recovery is expected to last? It's setting a record in the United States. There are those of us who believe that the result is going to be a business cycle. Do you agree that there is a business cycle and that we might see something happening in the near future that may cause interest rates to move up?

**Mr Salerno:** There are two parts. First of all, the business cycle: At some point, I don't think anybody is ruling out a downturn in the economy. Business cycles will happen. The only thing that's variable is the length of time between troughs or peaks. But clearly the business cycle certainly has happened in the past and is expected to come back in the future. Some would argue that we're in a whole new environment nowadays, given the very, very low interest rates-inflation environment that we have. Many are arguing that there is nothing on the horizon that would indicate that we're heading for a slowdown imminently.

**Mr Cullen:** This leads me to the question of the impact of the Asian flu, which has taken quite a pounding on the dollar and is putting pressure on interest rates to defend the dollar. If indeed the Bank of Canada were to raise interest rates, I don't know how much margin we have where that will begin to have a negative impact on the economy. What is your take on that?

**Mr Salerno:** Again, I want to answer the second part of your first question. If we were heading for a downturn, in fact interest rates move in a countercyclical fashion. Generally, interest rates would tend to go down during a period of economic slowdown.

**Mr Cullen:** Our experience in the 1980s went the other way.

**Mr Salerno:** Then we had the dual evils of high inflation and — in fact interest rates, when you netted out inflation, in real terms were pretty low in the 1980s, lower than they are today in real terms.

**Mr Cullen:** In real terms, yes.

**Mr Salerno:** But in terms of interest rates, not many people are forecasting interest rates to go up dramatically or to move very much either way from where we are now, simply because, again, the environment is not there for high interest rates.

**Mr Cullen:** Even with respect to the Asian flu?

**Mr Salerno:** Well, the Asian flu is having some impact, but in terms of the impact on Canada and Ontario specifically, the effects on us are rather marginal. As you know, we export about 47% of our GNP to the US.

**Mr Cullen:** That's right.

**Mr Salerno:** To the extent that the US is affected, we undoubtedly will be affected, but again, it's a secondary effect, after it impacts the US. In the US, the estimate that I see as the maximum impact is about 1% of GNP. That would have, then, a secondary effect on us. The estimates for Ontario are anywhere from a quarter of a per cent to half a per cent.

**Mr Cullen:** So the benefit that Ontario is getting now in terms of economic growth can be largely ascribed to low interest rates and the strength of the American economy.

**Mr Salerno:** Those would be two major effects on the Ontario economy.

**Mr Cullen:** Here we have you, looking after the debt portfolio for the province. We are in an era of low interest rates and economic growth, yet we seem to have the same bond rating as the previous government, which I think was downgraded four times. We still maintain that. You must talk to bond raters quite a bit. What is their rationale for pegging our bond rating level at the same level as the previous government? Clearly, if the bond rating were improved, our debt servicing cost would be reduced. What are the bond raters telling you?

**Mr Salerno:** There are a lot of answers to your question. First let me say that in terms of our interest costs right now, our interest costs have never been lower. If you measure the differential that we pay, the premium over the government of Canada, it has never been this low. Right now it's lower than when we were rated AAA.

**Mr Cullen:** We're still not enjoying the benefits of AAA.

**Mr Salerno:** No, I'm saying the opposite. The rating agencies at times follow the market. The market, I think, is already valuing us as AAA. We have never enjoyed this narrow spread over the government of Canada. Currently we're borrowing 30-year money at about, today, 32 basis points over the government of Canada, which is an historically low level. It was a little lower a few months ago but it's been in that range of 25 to about 35 over the last year.

**Mr Cullen:** So why aren't our bond ratings going up?

**Mr Salerno:** You may have read DBRS, and I think it was Standard and Poor's that said that one of the things that's keeping the rating low right now, that's keeping them from improving our rating, is the uncertainty around Hydro. Right now, as you know, we guarantee Hydro's debt, which is currently about \$31.5 billion. The uncertainty about the resolution, about the restructuring that's going on around Hydro, is a key factor in keeping our credit where it is.

**Mr Cullen:** Is not one of the key factors the rating agencies have mentioned the fact that this government is trying to do two things at once, whereas the federal government has done one thing at once? The federal government has reduced its deficit and then talked about tax cuts, whereas this government is both trying to reduce its deficit — it's at a record level in terms of debt, but reducing deficit — and cutting taxes at the same time. Is this not also one of the factors that bond rating agencies speak of?

**Mr Salerno:** That's not one of the factors they speak to us about. I might point out that the federal government, even though they are balanced right now, in fact in somewhat of a surplus position, their rating has still not been upgraded. They are still AA+. The key factor there also is that rating agencies want a history. In other words,



they're not very quick to respond. They want a history of your progress in meeting the targets. Also, the size of the debt is a factor, both in the case of the federal government and in Ontario.

**Mr Cullen:** The previous government had four downgradings. This government took office three years ago, so we've had three years, and the bond rating agencies, looking for progress, haven't seen enough to justify a change in the rating. They're looking at the size of the debt, which has increased from \$90 billion to \$108 billion now, \$3 billion over the past so many months. These are factors that are convincing the bonding agencies that there's no reason to upgrade the rating.

**Mr Salerno:** They're looking for continual improvement. The key factor, as I indicated, and one they stated in their releases after the budget review of a couple of months ago, was the uncertainty around Hydro.

**The Chair:** This is the last question, Mr Cullen.

**Mr Cullen:** If the bond rating had been raised to the previous level, how much money would that save taxpayers in Ontario?

**Mr Salerno:** It's hard to say.

**Mr Cullen:** We're talking millions, though.

**Mr Salerno:** Again, I would say it's hard to say. As I said before, we are currently enjoying the lowest interest rates ever. I could probably raise a 30-year bond today at lower than 580 — 30 years. Unheard of.

**Mr Cullen:** It's amazing what the federal government has done.

**Mr Salerno:** In terms of the premium over the federal government, that is the real measure. It's never been lower. So it's difficult to say. For British Columbia, which is rated higher than us, at AA, their premium right now is about 34 over Canada and we're 32; we're AA— right now and they're AA+. So you can't say that automatically there's a direct link that an upgrade will mean one thing. It just doesn't work that way. Ultimately, you will pay what the market says you will pay, regardless of what the rating agencies say.

1020

**The Chair:** We move to the government caucus now.

**Mr Jim Brown (Scarborough West):** Good morning, Mr Salerno. The federal Liberals have to make a very important decision soon about the bank mergers. I'm wondering what your opinion might be of the bank mergers in terms of their effect on our borrowing and the province's cost of borrowing, and the decreased level of competition and its effect on the Ontario economy and, more specifically and most importantly, jobs.

**Mr Salerno:** There are a lot of questions in that one question of yours, and the answers are not that easy. In terms of running the OFA, the Ontario Financing Authority, clearly, the more competition we have, the more folks who are beating at our doors to sell our bonds, the better it is for us. The more competition we have — even for our banking services, which is not a trivial matter for the flows that are involved in this province. We have banking contracts. I believe right now we are paying about \$5 million a year in bank service charges. It's not just cheque

writing and so on and so forth; it's accounting, all kinds of payments, flowing both in and out. For instance, two years ago we ran a competition for the banking tender to provide the banking services for the province, and through a very competitive process we were able to reduce the cost of those services to the province. From that perspective, the more competition we have available to us, the better it is, purely from running the operations of the OFA.

As you know, the banks also have investment dealers associated with them, so we're dealing with both sides of the bank. And when they're talking about merging, they're merging not only the banking operation but the investment dealers.

So the merger that is happening there surely gives me some concern, but I'm encouraged also, because there are other firms we deal with, American firms, that have a large presence in Canada that will ensure that there is competition, at least in the dealer end of things, as I described.

I don't know where the mergers are going to end up, whether, as part of the concession, the federal government is going to allow foreign banks to come in and provide that extra competition. It's hard for me to imagine that we're going to end up with two banks in Canada. I'm not sure if that is going to be allowed to happen, but I can also see, from the banks' perspective, that if they are going to be a force in the international investment banking and regular banking activity, they must merge. The scale of operations required to be successful in the international markets dictates — and in fact, our banks are pretty small by international standards. Ideally, what I'd like to see is that they merge for external purposes and continue with the competition at home.

In terms of jobs, if we could maintain those jobs that will be created by expanding their international operations, particularly those better jobs in the head office associated with those activities, clearly we're better off to the extent that we can do that. When the Bank of Montreal bought the Harris Bank in Chicago, there were a number of jobs created in Scarborough because the back office operations that were associated with the Harris Bank were brought back to Toronto, essentially.

It's not clear where it's all going to end up. I think there are tremendous opportunities in the merger, but one has to look at the nature of the merger and how it's ultimately all going to turn out. Certainly we, particularly in Ontario and Toronto especially, with all the banks essentially headquartered in Toronto, have a lot at stake in the outcome of this merger and the proposed mergers, and I think that governments at all levels are rightly concerned with how this merger might take place.

**Mr Bill Grimmett (Muskoka-Georgian Bay):** I wonder if I could ask you a few things about the committee that we're reviewing you for, the investment advisory committee of the public guardian and trustee. I understand that these are the funds that the public guardian and trustee would be holding on behalf of other people. Is it fair to say that the public guardian and trustee



has a responsibility to get these people as much return on the money as they can?

**Mr Salerno:** Clearly, anybody who is managing funds on behalf of somebody else —

**Mr Grimmett:** How much money is involved here, and what ideas would you have on how the money might be better invested than it currently is?

**Mr Salerno:** I'm not yet on that committee. One of the reasons I have been nominated for this is that we have in the past advised them, in terms of the OFA providing advice in their banking arrangements for one, for instance. I think we were able to save them — I forget the exact amount right now — in the hundreds of thousands of dollars a year in the banking arrangements they had with the banks.

**Mr Grimmett:** Do you know how much money is involved on an annual basis?

**Mr Salerno:** How much they manage? Between the two funds they are managing about \$1 billion, so if you're able to affect the return by 1% it's \$10 million. It's significant amounts of money we're talking about.

My appointment, as I'm sure you're aware, is not as a full voting member but just to provide advice and also, as one of the three government nominees for this committee, to oversee, because in the end I think the province would be on the hook if the funds were not properly invested. The folks who are relying and trusting the government to do the right thing in managing it would obviously turn to the province in the end if the funds were improperly managed.

I'm hoping that my involvement in the committee will provide the type of advice that will maximize the return, although I understand that the rate that is actually provided to the folks whose funds are being managed is set — in other words, there's a guaranteed rate provided — and if there is any shortfall from the investments, it would be the province that would have to meet that shortfall. As well, the province would have to make up any costs that could not be covered by the returns on these funds.

1030

**Mr Jim Brown:** In reviewing the debt instruments that the province has on its books, I'd just like to get a feel for what you might think in terms of maturity dates and the interest rates of some of the debt instruments.

I noticed that there was about \$15 billion borrowed from the teacher pension fund back in 1992-93. The term of the instruments was 20 years and the rate was 12.5%, when current rates are 6%, 6.5%. It seems that that was the only group of instruments — maybe I didn't go back far enough — that have the kind of maturity that would lock the province into such high interest rates, more than double current rates. That spins off a pretty hefty return to the pension fund up until about the year 2011-12, maybe \$1 billion extra in terms of interest payments.

I'm just wondering what kind of rationale you would bring to the table in terms of maturity dates — the terms — versus current interest rates.

**Mr Salerno:** It's easy for us to look back and say, "How did they make those dumb decisions and lock in those rates?"

**The Chair:** Did you do that?

**Mr Salerno:** No, I wasn't involved in those decisions. But as I said earlier, the interest rates we were locking in at that time, in real terms, netting out inflation, were extremely low, in fact lower than today. So I'm not going to be critical that we're paying — I think some of them might be at 16% still.

**Mr Jim Brown:** I was trying to be conservative.

**Mr Salerno:** Right. That was the arrangement with those pension plans in the past, and in fact we have similar arrangements with the Canada pension plan, that we were borrowing 20-year money.

What disturbs me a bit is the misinformation that teachers have in terms of the facts. I'm sure all of us have read reports saying that the province is taking their money and giving them no interest or 1% or 2% interest. That's not the fact at all. In fact, I wish I could pay them out all their money at par.

**Mr Jim Brown:** Yes, cut our losses.

**Mr Salerno:** What they want, obviously, is to cash it in now. If I were to buy those bonds right now at market value, I'd be paying a heck of a lot more than 100 cents to the dollar. We don't have the privilege of pre-paying that debt. We're going to continue to pay it until it expires, or, if we come to an agreement with them where we buy it, it would have to be at market price right now.

Last year, for instance, we borrowed a lot of 30-year money simply because at 6% and under, it seems extremely attractive money to lock in, in the long run. Now, somebody 10 years from now, if interest rates go down to 3%, may look back and say, "What was that person running the OFA at that time thinking about, locking in money at 6%?" Obviously, we have a mix of what we invest in, or in this case what we commit to, simply to avoid making a call and somebody criticizing us precisely for that. What we do is try to smooth out the maturity profile of our debt over time so that doesn't become an issue. We try to make good calls, and we think we do, and in fact the record shows — at the OFA, our performance is measured and audited each year. Over the last two years, ScotiaMcLeod has audited our performance and our performance is ranked high in the first quartile. What we are doing in terms of selecting the right timing of the bond issues for the province has been extremely good, the record has shown, over the last two and a half years.

**The Chair:** Thank you very much. That brings the time to a close. Mr Salerno, we appreciate your taking the time to be here. I'm sure the former Chair of the committee, Mr Laughren, would want to ask you questions about the success of the OFA and the accuracy of revenue forecasting these days, things like that, but he's not here to do it, so I'll just pass on his regards to you.

**Mr Salerno:** Thank you very much.

**The Chair:** Thank you for coming. We'll be dealing with the motion of concurrence with your intended appointment at the end of today's session.



## PETER HUME

Review of intended appointment, selected by the official opposition party: Peter Hume, intended appointee as member, Champlain District Health Council.

**The Chair:** I call Mr Peter Hume, who is an intended appointee as a member of the Champlain District Health Council, to come forward. Welcome, Mr Hume. If you have any introductory remarks, please feel free to make them and then we'll begin questioning with members of the government.

**Mr Peter Hume:** Good morning, Madam Chair and members of the committee. I am a directly elected regional councillor serving 41,000 people in the communities of Alta Vista, Canterbury and Riverview in the riding of Ottawa South.

I was first elected in 1991 to the city of Ottawa council and I've served with the member for Ottawa West for two terms. I was elected in 1994 to the first directly elected regional council in Ottawa-Carleton and re-elected in 1997.

My current duties with the region include the planning and environment committee and I am vice-chair of the corporate services and economic development committee. I also chair a task force established to preserve green space with a land trust, an innovative concept that is new to Ottawa-Carleton.

In addition to my duties at the region, I am chair of the regional government section of the Association of Municipalities of Ontario. I also serve on the board of directors and the executive of that organization. I am also the chair of the task force on social housing and a member of the Municipal Act task force.

I am here today as regional council's nominee for the Champlain District Health Council. To give you a flavour of how that comes about, after every election the region strikes a nominating committee to fill the positions that members will serve, including council's standing committees and outside agencies such as the tourism and convention bureau, the humane society and the health council. That is why I am here before you today, and I'd be pleased to answer any questions you may have.

**The Chair:** Thank you, Mr Hume. We will begin with the government.

**Mr Grimmett:** Good morning, Mr Hume. I just want to explore the procedure in a little more depth of how you came to be recommended by regional council. I understand that regional council put forward a number of names to sit on the health council. Do you know how many people were suggested?

**Mr Hume:** Three members of regional council put forward their names to serve on the district health council. When it became clear that one of them was going to become the chair of our transit authority, our version of the TTC, he withdrew the name, so only two names came forward from the nominating committee to regional council, myself and one of my colleagues, Herb Kreling. So there were only two members to fill that seat and we

were approved at the December meeting of regional council.

**Mr Grimmett:** I see. You have considerable experience as a councillor. What skills would you bring to a district health council?

**Mr Hume:** For the first three years of my term, I had the pleasure of serving on the Riverside Hospital of Ottawa board of trustees, so I had a tremendous amount of experience in that setting. As you know, regional council does have the responsibility for some health matters under its mandate, so we have a broad breadth of experience from that.

I can give you a particular example. Today at 1:30 at regional council we will be dealing with a grant to the aphasia centre, which helps stroke victims recover speech and other impediments. We are going to be giving them the grant under our counselling mandate in our social services portfolio.

Part of our program will be to lobby or to move forward to the district health council a recommendation that they fund the health aspects of that program. Those types of joint issues certainly will be coming forward, and my role as a regional councillor will be to make sure that those types of issues are brought to the district health council's table and that they're made aware of the unique needs of the people in Ottawa-Carleton as I've outlined in the example.

**Mr Grimmett:** One of the things you do on a district health council is advise the minister on a variety of health issues in the area the council serves. I just wondered if you had any thoughts on the particular issues you might be dealing with at the district health council in Ottawa-Carleton and what advice you might take.

**Mr Hume:** As I outlined earlier, my job is to advise the minister, but my job is also to represent the interests of regional council on the health council. I will be bringing forward those issues that council gives me direction on. Long-term care and the assignments of beds and the recommendations of investment funds in that area are certainly going to be a very important part of the district health council's mandate as our communities age. In fact, regional council today will be dealing with a similar issue, on how to go forward to the district health council and recommend a joint venture with the Alzheimer society. You can see how the issues are very intertwined. There will be a variety of issues that will come forward that will be joint in nature, so my experience on council will lend itself well to the DHC.

1040

**Mr R. Gary Stewart (Peterborough):** Just a couple of questions. As you know, this government has reduced the number of DHCs from 33 down to 16. Any comments, your thoughts on that?

**Mr Hume:** I authored a report with one of my fellow councillors, Alex Munter, on the role of the DHCs. It was our recommendation at the time that the responsibilities of the district health councils be rolled into those responsibilities of regional council. We felt that it was a perfect fit in that we dealt with health protection and promotion



and we could give advice to the minister, and the people of Ottawa-Carleton would then have an elected voice to move their issues forward, someone who could be accountable for those recommendations. However, when we put that forward to the minister, it did not receive a favourable hearing. We now have a structure that is 16 district health councils and we must do our best to work within that structure.

**Mr Stewart:** So you're supportive of restructuring the various organizations.

**Mr Hume:** As I said earlier, I recommended that the district health council's responsibilities be restructured. It was my personal opinion, and it still is, that those responsibilities best rest with regional council. However, we have a structure that the government has chosen to put in place and we have to work within it for the benefit of our community.

**Mr Stewart:** When district health councils were originated they were for the planning process, with the input of both professionals and consumers in the province, and there was a time that they were used basically to spread the bias of the particular government in power. Now it appears to me that they're coming back to the situation where they are going to be involved with planning and the direction that health care should go in the communities. Do you feel that should be the role and that will be the role?

One of the other problems you've mentioned — you were on the board of a hospital. I don't know about your particular hospital, but there are some in the province that aren't extremely supportive of the district health council. Many hospitals suggested that if a district health council were gone and the money flowed directly to the hospitals, they could manage it much better.

**Mr Hume:** I would hope that the role of a district health council — I will certainly be bringing an accountable approach to that. I don't want to spread undue influence in any direction. We want to give the best advice to the minister, to the maximum benefit to the communities of Ottawa-Carleton and the other communities that it serves. That's the role I'd be bringing to it and I would hope that the other members of the committee would do the same. It's a very important role that we play and it must not be taken in any way lightly or be unduly influenced by the government in power.

**The Chair:** Last question, Mr Stewart.

**Mr Stewart:** What is your background? It doesn't show in your résumé. Has it just been as regional councillor etc?

**Mr Hume:** I was first elected in 1991, but for the term 1988-91 I served as a member of Ottawa city council.

**Mr Stewart:** So really your background or your career has been basically a council member.

**Mr Hume:** Yes.

**Mr Cullen:** Welcome, Peter, to the committee. I understand this is your second appointment by this government to an agency. I believe you were appointed to the Assessment Review Board as well by this government.

**Mr Hume:** No, I was not appointed to the Assessment Review Board. I was appointed to the Ontario Property Assessment Corp. I should advise you, though, that my appointment was at the nomination of the Association of Municipalities of Ontario. I was chosen from a list of 12 municipal politicians.

**Mr Cullen:** So you'll be busy going back and forth, I'm sure.

I'm interested in some of your perspectives on the challenges as a result of downloading of public health to the region. This of course means the region will have a greater role to play or should have a greater role to play in the planning and coordination of health services in Ottawa-Carleton. Can you tell me how the impact of downloading has been handled by the region?

**Mr Hume:** The residents of Ottawa-Carleton have yet to feel the impact of downloading. In fact the chair, the former member for Ottawa West, has been very successful in dealing with this government in obtaining assistance to balance our budget. So the residents of Ottawa-Carleton have yet to feel any impact of downloading.

**Mr Cullen:** If I can measure this correctly, the downloading of public health to the region comes to I believe \$44 million or thereabouts and I believe the one-time assistance the region has received this year is approximately the same figure. There's no guarantee from the government that there will be a repeat of this one-time assistance next year, so there may be an eventual cost to the property taxpayers of Ottawa-Carleton.

**Mr Hume:** Given the track record of our regional chair in dealing with the province, I suspect there's a very good chance that we'll receive assistance again this year. But you are correct that in the fullness of time taxpayers will feel the effect, in the range of some \$50 million, of the total, full cost of downloading.

**Mr Cullen:** Does this mean we can expect some pressure on the kinds of services that will be delivered? I'm thinking in terms of public health. Would public health be viewed in the same basket of other services that might have to look at budget cuts?

**Mr Hume:** The region, in order to assess its budget problems, has established a budget subcommittee, which is new to regional council, to do just that: to review and evaluate its programs and its operations. But as you know, when you were on regional council, we undertook a substantial corporate review. At that time we shed, if you wish, most of the non-core, discretionary programs that we had before us. We do not have the flexibility to accommodate some of these things, so there will be pressure on programs across the board.

**Mr Cullen:** The concern I'm hearing is that the ability to deliver these services may be compromised simply because of the lack of funding.

I want to move on to the issue of hospital closures. You mentioned in your presentation that you served on the board of Riverside Hospital. That's one of the two hospitals slated for closure in Ottawa-Carleton by the Health Services Restructuring Commission. The government has said that about \$120 million will reinvested in new



facilities in Ottawa-Carleton. It's providing \$81 million, expecting taxpayers to come up with \$47 million. Is this an accurate figure? Are the true costs of dealing with the restructuring to taxpayers \$47 million? Have I got it right?

**Mr Hume:** If you read the health restructuring report, yes, that's the cost they quote.

**Mr Cullen:** That's their estimate, yes.

**Mr Hume:** However, costs to taxpayers as a result, if you take the strict interpretation of what the health restructuring commission recommended, would probably be significantly more because there are property tax implications to a further development of the major Ottawa Hospital site on Smyth Road. However, I understand that the new board has met and is discussing an alternative arrangement that will see a fuller utilization of the existing facilities to present a more cost-effective picture. But certainly on first blush, there were significant property tax implications to further development of the Ottawa Hospital site.

**Mr Cullen:** When you say "property tax implications," you're talking about cost to property taxpayers to pay for access roads and services to these expanded services the government hadn't counted in that you had made an estimate of, and I believe you went to council with an estimate. Could you tell us the additional cost, or ballpark?

**Mr Hume:** In the neighbourhood of \$35 million.

1050

**Mr Cullen:** On top of the \$47 million, another \$35 million, possibly. Even if you are half right, we're talking over \$60 million more that local property taxpayers would have to pay to make this work. Where is that money going to come from?

**Mr Hume:** The Ottawa Hospital site sits on one regional road. The intersections that service the hospital site are near or at capacity. The addition of more operating rooms, intensive care beds and other outpatient services — at full build-out, that road ceases to function and you cannot move through to that site, so it would be necessary, in order to have the transportation network function properly, to provide a transit link to that site. We in Ottawa-Carleton have a dedicated bus transit lane. You'd have to bring that up through a corridor that the region owns. That is a very significant cost. In addition, new water service has to be provided, and a number of upgrades to the sanitary sewer system to accommodate the increased flows that will result from the developments.

**Mr Cullen:** So these are all additional costs that flow out.

**Mr Hume:** Yes.

**Mr Cullen:** Just to come back to the larger picture of the closure of these hospitals, did you support the closure of the Riverside?

**Mr Hume:** No, I did not.

**Mr Cullen:** A lot of people don't support this.

I just want to move over to one of the issues that you're going to be facing on the district health council, and that's long-term care. The government has announced a \$1.2-billion plan for long-term-care beds and in Ottawa they're promising some 1,313 beds over the next eight years, but

the current waiting list is 1,960. An MPP you know very well, Garry Guzzo from Ottawa-Rideau, has said this is insufficient to meet need. If you have a current waiting list of 1,960 and you're going to get 1,313 over eight years, he thinks it's insufficient. What do you think?

**Mr Hume:** Knowing Mr Guzzo as I do, I would think he was probably correct.

**Mr Cullen:** In Ottawa-Carleton, with our aging population, this is an issue that the district health council is going to have to face, have to deal with. The district health council from time to time has passed motions and tried to get the government to pay attention to some of the concerns in Ottawa-Carleton. The track record hasn't been all that good. You mentioned yourself your proposals for restructuring the district health council. This government doesn't appear to be listening to that.

**Mr Hume:** When you take the proposal that I put forward with Councillor Munter, clearly the government was going in an opposite direction. We were responded to and there was a positive response in terms of, "Thank you for your input."

**Mr Cullen:** But you still think it's a good idea.

**Mr Hume:** I definitely think it's a good idea.

**Mr Cullen:** One of the other issues that we're facing in Ottawa-Carleton because of our aging population is the demand for home care. We're now a quarter of the way through the fiscal year and the government has yet to approve this year's fiscal year budget for the Ottawa-Carleton community care access centre. There are waiting lists in physiotherapy; there are waiting lists in occupational therapy. The relationship between the hospitals, home care, public health — do you not think at the very least that where there is caseload growth in home care, where there's a need for the service, the government should be responding to this?

**Mr Hume:** Where there's a need for service and there are waiting lists — any waiting lists are inappropriate — you've got to respond. I would have some faith that the district health council would look at the facts and figures before them, make an informed and intelligent decision, and recommend the best course of action to the government. Given the good financial position that the government finds itself in, I would expect them to respond positively.

**Mr Cullen:** One would hope.

My last question, because I'm running out of time, is that you've been on council; you know how that process works. There's sometimes a vote, but the head of council has to take that position and present it, take the direction of council. The district health council has had to deal with some controversial issues in the past. Would you not expect, where it does take a position, that the head of the district health council would be expected to present that as vigorously as he or she can to the government, if the district health council took a decision?

**Mr Hume:** I would expect that once the council speaks through a motion or through a vote, it would be the position of the chairman at the time that they would go forward and represent the position of the council to the



government, if that is indeed the role we expect the chairman to play. But if it's the CAO or whoever, the council would speak by vote or by motion, as you've often told us, so I would expect they would vigorously pursue the direction that the council wishes them to go.

**The Chair:** Mr Hume, thank you for joining us today. The committee will be dealing with the motion of concurrence for your intended appointment at the end of today's session.

#### BRUCE GOULET

Review of intended appointment, selected by the official opposition party: Bruce Goulet, intended appointee as member, Criminal Injuries Compensation Board.

**The Chair:** Would Bruce Goulet come forward, please. Welcome, sir. We'll begin by asking if you have any introductory comments that you would like to make. Following that, we will move to the official opposition to begin questioning.

**Mr Bruce Goulet:** It's a pleasure to be here. I thank you, Ms Lankin, and members of the standing committee.

I'll begin by saying I come from a modest background. I'm a product, as it happens, of Toronto, the Toronto Beaches district, Pantry Park, Balmy Beach Canoe Club, if anybody knows that.

**The Chair:** The Chair is familiar with it.

**Mr Goulet:** I knew that, so I have to admit that. Nevertheless, I'm very proud of it. My relatives are still there.

I had a rather unremarkable life but a sporting life through Toronto. When I got married, I decided I wanted to live in a small community that would offer all of those benefits for a young, growing family. I picked North Bay and, just by coincidence, was towed into North Bay in my dilapidated car — I'm using up time; I know that — by the Ontario Provincial Police, who would not do that today.

I took up life in North Bay as a salesman for office furniture. I became involved, as I went along, in matters like the chamber of commerce. I gave some leadership in the chamber of commerce particularly as it related to what was then Dominion Day — Canada Day — and took that to the Canadian chamber and was perhaps somewhat instrumental in getting a revival of Dominion Day celebrations in those days. I became active in the sports community in North Bay as well.

I became extremely active in matters political. I was an alderman, deputy mayor and mayor. I served on the police commission. During all that time I was in business and involved in many volunteer organizations like the Red Cross, both municipally — the regional Red Cross — and the national Red Cross. I'm still a member of the Rotary Club, and was chairman of the crippled children's committee in past days, but not now.

I have always had, I think, through whatever I did, a passion, an interest in people. I sat at one period, 1980-84, on the Social Assistance Review Board. I like to think I served with some distinction. I found myself sometimes

being the minority person on those panels, but I said what I believed.

I believe the victims of unprovoked crime are often left rather defenceless. I think the society we collectively have spawned has left a lot of people without sufficient means in such cases. Therefore, I have an abiding interest in the work of the Criminal Injuries Compensation Board. I not only think that I can do a good job, I believe I can do a good job. I would resign from that board, take myself out, if I didn't feel I could make a substantial contribution. I hope that doesn't sound self-serving; it wasn't meant to be. I usually do a good job. I intend to do a good job if given the opportunity.

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**The Chair:** Mr Goulet, thank you very much. We begin questioning with Mr Gravelle.

**Mr Michael Gravelle (Port Arthur):** Good morning, Mr Goulet. You made reference to the reason why you're interested in serving on the Criminal Injuries Compensation Board. May I ask you how the process came about that your name came forward?

**Mr Goulet:** It came forward slowly. When I went from North Bay to Toronto to rejoin members of the family at that time and set up a business there, I thought, "I'm going to have a problem starting as a small business," and I did register my name with cabinet. That was in January 1996. I was told I should talk perhaps here and there to people influential within my party. I'm a card-carrying member of the Conservative Party. I heard nothing, but my business rather took off in a small way.

Then when I moved back to North Bay, having heard nothing again, and those years going by, I thought the member, the Premier of the province, probably doesn't like me any more. I'd never heard from him. I'd never had a response of any kind, and I went into the local office and said, "How come?" They said, "I don't know." So they phoned down and said whatever they said — I'm not aware of what was said — and I did get a call saying there might be a position open that would match my skills, particularly because of my corporate knowledge, because of my knowledge of municipal and, to some degree, provincial and federal affairs, on a board of this type.

**Mr Gravelle:** So you had problems communicating with the Premier as well, then.

**Mr Goulet:** I did.

**Mr Gravelle:** It's fascinating how often that seems to happen.

Mr Goulet, this is a board that obviously does require a great deal of sensitivity, and I think there are some concerns with a number of areas related to the board. One of the issues that comes up frequently, and I'm presuming you're familiar with this, is that the actual payment of awards that go to people who apply for compensation has not increased since 1986. There has been some criticism of that. I'm curious as to your thoughts on that payment scale. I take it you're familiar with the maximum lump sum payment etc.

An additional point that seems to be of some concern is that since 1995 the board has stopped reimbursing applic-



ants for expenses such as lawyers' fees and the cost of acquiring court transcripts. It seems like a pretty nasty thing to do from the point of view of people truly being in a position where they obviously lost the opportunity for income as a result of crime committed.

Can I have your thoughts on that? It's been over 12 years since the payment scale has been increased, and then of course in 1995 they cut off the funding for legal help for the people who are making the applications. I'd be curious to see what your thoughts are on that.

**Mr Goulet:** I will risk my opinion. I have little knowledge, but I did read over some material I found on the board and the same thoughts came to my mind. I had the feeling, given the ever-rising costs in today's society, that that isn't a lot of money, and I wondered if someone was considering amending that legislation in a way that people had extraordinary circumstances, because \$25,000 as a lump sum does not seem very much money to me.

**Mr Gravelle:** So you'd be prepared to recommend that? If you are appointed, would that be something you would feel was appropriate for you as a member of the board to state in a public fashion, that indeed perhaps we need to look at and encourage the government of the day to look at that reality?

**Mr Goulet:** Based on my thinking at this time, but I have to go through a listen-and-learn process, that would be my inclination.

**Mr Gravelle:** I'm glad to hear you say that because I think it's important to recognize how difficult it is. Some of the hearings have certainly come to Thunder Bay, which is my community — I represent the riding of Port Arthur — and I've been involved in some of the processes. It's a very painful process for people, quite literally because of what they've gone through, and sometimes the process itself is difficult and people have some difficulty understanding it. But there also is a backlog of some sort which I know they've tried to move forward on.

Do you have any ideas for how you would speed up the process for people who are applicants before the board?

**Mr Goulet:** It's my understanding that they have over the past 12 months taken up a lot of the backlog by using documentary hearings. I have not spoken to anybody about this, but my feeling is that normally governments get too many people involved. I don't know how many steps it goes through to process a hearing. My general understanding is that once the hearing process begins — and this is only an understanding — it's three to six months, maybe longer.

Frankly, in any board, commission or municipal body I've been involved in, we've always found ways to shorten the process by saying, "Who's responsible here? Who's responsible there?" and we find there are 10 or 12 people. The first thing I like to say is, "Let's make one person responsible in this area, one for that, one for that," and somehow the work gets done. So I would think there is possibly — keep in mind that I really have not discussed it with anybody — room to cut back that process. It's hard

for me to understand why people have to wait so long for government decisions.

**Mr Gravelle:** Particularly, too, when one thinks of the circumstances that frequently are the basis for coming forward in the first place. It's obvious that it has been a traumatic experience for the people involved. You certainly sound like a gentleman who is keen to make the process work better, and you are sensitive to the needs of the people.

Do you know of anybody who has made an application under the Criminal Injuries Compensation Board? Are you familiar with anyone who has made an application?

**Mr Goulet:** No one personally at all. I've read about people in the Maple Leaf Gardens case and others. Papers have been passed to me; I've read them. I know of no one on a personal basis.

**Mr Gravelle:** In terms of the time you have available, what is your situation right now? You're going to be a member, which means you will be a part-time person. I take it that the time involved is not going to be a problem.

**Mr Goulet:** This job will take priority for me. My business isn't doing all that well now I've gone to North Bay. I was working out of Mississauga. I sell ergonomic chairs. I'm sick and tired of carrying them across Bay and Yonge and all these places and carrying them in my car. That's perhaps a poor attempt at humour, but what I am saying is that the job will take priority, absolutely no question about that.

**Mr Gravelle:** Thank you very much, Mr Goulet. I'm sure you'll be a fine appointee to the board.

**Mr Grimmett:** Thank you very much, Mr Goulet. I certainly want to commend you for your candour, maybe one of the better explanations of how you found your way to the committee today.

Most of us know people who are victims of crime, and I guess some of us have been victims of crime ourselves, although I took the precaution of marrying a police officer to make sure it didn't happen to me. That option isn't available to everybody.

I think there are some obvious questions about compensation and how people receive compensation. One of the things that perhaps the provincial government should be looking at, either now or in the future, is how to restructure the way we deal with victims overall. Perhaps this particular committee should be looked at as well.

Do you have any thoughts on how the system could be changed so that the criminals themselves become a source for compensation moneys? One of the ways we've done that in Ontario is to add to provincial offences fines a levy that is intended to go to the victims. Do you have any thoughts on how the criminals themselves might contribute to victims?

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**Mr Goulet:** How they might contribute? I only think that if the justice system is working properly, they themselves have been penalized by incarceration or whatever other penalty is applied. No thought comes to me of how a criminal could help, other than if he on a personal basis became quite contrite and made some



personal contribution in terms of time assisting the victim, much as we do in asking people to do compensatory work with others. Maybe these people could be requested to work with victims of crime, leading to a more general feeling among the inmates of the penal system or the criminals that there's a very humiliating experience about to come, which is that you have to work with the people on whom you've perpetrated these crimes. That's just a thought.

**The Chair:** Anything further? No?

Thank you very much, Mr Goulet. We appreciate you joining us today. The committee will be dealing with the motion on your appointment at the end of today's session.

Mr Gravelle, I would just indicate that there will be a short subcommittee meeting after this. We are moving quicker than intended and we may get to that before quarter to 12.

**Mr Gravelle:** I'll go and do what I have to do, and I'll be back in time. Madam Chair, if I may ask, though, we obviously don't have a member of the third party here.

**The Chair:** Our intent is to have an informal subcommittee meeting, which will be confirmed after a telephone conference with the third member.

#### BETH SWEETNAM

Review of intended appointment, selected by the official opposition party: Beth Sweetnam, intended appointee as chair, Champlain District Health Council.

**The Chair:** Before us we have Beth Sweetnam, intended appointee as a member and chair of the Champlain District Health Council. Ms Sweetnam, welcome. If you have any opening comments at this time, please feel free.

**Ms Beth Sweetnam:** Good morning, Madam Chair, ladies and gentlemen.

I have spent many years to get to this point. My background is as a teacher and a school librarian. I've taught at both the high school and elementary school levels.

In 1988, I was asked by the township of Goulbourn to serve on a local community health board called the Health Network. About a year and a half later, I became chair of that board. It was looking at hopefully expanding health services in the very west end of Ottawa-Carleton; that's Kanata, Goulbourn and West Carleton. As part of being on that board and being chair, we were re-funded, in fact a total of three times, by different governments, and although it was a volunteer board, we were able to hire planners to look at possible ways of expanding health services. That was done through the DHC. The planners that we hired, one at a time, worked with the DHC and one of their planners. It was closely connected.

In 1996, the very end of February, I was appointed to the Ottawa-Carleton Regional District Health Council. That followed two years of a really very educational and interesting time. I had served over the course of many years as a community representative on quite a few boards, but I really got an education on this one as far as public relations are concerned.

Just after we came on the board, there was a committee of the Ottawa-Carleton Regional District Health Council

called the restructuring committee that came to council with a recommendation that one hospital be closed in Ottawa-Carleton, the Grace hospital. That committee brought the recommendation to the council just after we joined the council. Following that, there was an intensive public program by the Grace hospital.

When it came our turn a few weeks later to accept or reject, to deal with that recommendation, in the end there were political sensitivities. We had four politicians actually serving. It was felt that was not a comfortable place to be. Our council came to the decision that we would not close any hospitals in Ottawa-Carleton.

The public reaction to that was sheer disbelief, and rightly so. We had not only been going through a process that all of Ontario had gone through where technology and better health care had meant we were using hospitals a lot less, but in Ottawa-Carleton we were also suffering from the fact that Quebec patients were no longer coming the way they did. I can give you an example. CHEO was built to be a 300-bed hospital and to serve the whole Outaouais area as well as Ottawa-Carleton. It now was reduced to 150 beds, and at most times about 70 beds are being used. There has been a tremendous rejection of hospital beds.

Some of us who looked at that thought we had really not served Ottawa-Carleton well, that it was a copout to say we shouldn't close hospitals. Everyone knew that it was not going to be a good solution. Dr Pink and some of his colleagues here at the University of Toronto have done extensive work on what is an efficient size of hospital that gives the best quality of care, and by those standards, applying their models to Ottawa-Carleton, the services required in Ottawa-Carleton can best be served in three boxes, three plants. If you get more than that, you have a problem of economies of scale not being as good. Also, in terms of quality of care in the hospitals, it's better for health providers to be doing lots of what they're doing, not just a few. So for many reasons that we all knew, that was not the solution that was best for Ottawa-Carleton.

We tried to persuade the council of the idea of going back and looking at our decision again. The politicians especially weren't comfortable with that position. So six of us sat down and wrote a report. We acknowledged that it would be better to have fewer hospitals. We had only been on the council one month, and we felt we couldn't really be, shall we say, cheeky and actually start making real recommendations, so what we did was identify hospitals that it seemed could close without there being a problem for Ottawa-Carleton, because the Riverside, the Grace and the Montfort were already very small and could be accommodated in the larger hospitals. So we identified those as ones that were there whose services people had suggested could be accommodated elsewhere.

We also recommended the amalgamation of the two large hospitals because of the fact that there were a lot of turf wars. It was infamous in our city, and so we recommended one board and one hospital for those.

We published that. We provided it to all the papers and, of course, to the DHC. We were criticized by one



council member for that, a politician who felt we shouldn't have taken that route.

For the next two years I served on a couple of committees. I served on the community health services committee, which is the committee I actually worked with as part of the Health Network. I knew a lot in that area, or at least some, so that was an interesting committee for me to continue with as a member of the district health council. I also served on the emergency health services task force.

The Ottawa-Carleton DHC function ended in January 1998 and we started with a new, amalgamated DHC. At that point I was appointed to the new Champlain District Health Council, as were 15 others; there were 16 of us who came on. We mostly didn't know each other. There were only a few who were experienced and so we made a decision at that point that we would go with interim people until we sorted out our structure and got to know each other. There was an interim chair and vice-chair who started, and I started as interim vice-chair. That was just a bunch of us sitting around the table and saying "Who will do it?" to be frank. The chair had been chair of eastern Ontario DHCs. As the experienced ones, we got the job of getting going.

Now what has happened is that in June we actually had an election, because we had decided on a structure. We decided we would have a chair and three vice-chairs, one from each of the regions that make up Champlain DHC. Two people ran for chair, I and another chap, and I was elected in June as chair. I would note that what is on here is not right. It says that this OIC is about being a member and a chair. I have my OIC to be a member. I've been given two OICs on that, February 1996 and then February 1998, to be a member. This OIC is acknowledging that election where I was made chair.

**The Chair:** Thank you very much. We appreciate those comments. We'll move to the government, and you have about three minutes or so for questions.

**Mr Dan Newman (Scarborough Centre):** Welcome, Ms Sweetnam, to the committee today. In the three minutes I have, I just want to talk about long-term care and get your thoughts on what's happening in the Ottawa area.

This morning there was a reference made by an opposition member to waiting lists for long-term care facilities, and the reference conjures up all these thoughts that there are waiting lists without looking at what the waiting lists actually mean. What the waiting lists actually refer to — there's one category of people who are requesting a move from one facility to another. That's included in the waiting list. There are people who are in a hospital or already receiving home care who are looking for a bed, and then there's also people who anticipate in the future that they're going to require long-term care facilities, perhaps someone who's 75 now but in two or three years may need a move to that.

1120

I think it's important to note that in the Ottawa area, in the first two categories of those people who want to move from one facility to another or who already are in hospital

or in a home care program, that number totals 800. The bulk of the waiting list in Ottawa is already people who are receiving care. I'm sure you were aware of that.

**Ms Sweetnam:** Yes. I also want to make the point that as we put money into community services, hopefully for the best care of our elderly, more will be staying home. This is one thing we did as part of the Health Network; we really looked at that possibility. What we were told by many people in the community is if we did a better job in the community of providing health services, it would be less necessary to warehouse our old people.

I really think that projected number, if we do our job, will be much lower, for that reason as well as the fact that yes, there's a lot of people wanting to be in different places, you're quite right. But I think there are other ways, and that's why this number that's way out there of 1,000 and whatever it is is such a sort of ballpark number. If we do our job in Ottawa-Carleton, it will never reach that.

**Mr Newman:** In terms of the announcement of April 29 of this year, the \$1.2-billion announcement for long-term care, the largest reinvestment by any government in Ontario's history, I guess what it means to the Ottawa area is over 1,300 new beds. The tender has gone out for about 320 beds in the Ottawa area right now. Do you feel that the government today is responsive and committed to quality care in the delivery of services for the people of Ontario?

**Ms Sweetnam:** Yes. This government has spent more on health care than any other government in the history of Ontario. There hasn't been this kind of investment for 10 years, so it's giving us an opportunity to look at where we are going and to make some adjustments as we go. Someone wanted the whole thousand right up front. I think we've got to look at the things I already talked about: What we are going to be doing in the community, what kinds of things we need to be doing for our old people, and not just trying to build more warehouses quickly.

It's a process and I think this government is prepared to take on that process. They have shown that they are committed to providing the dollars and to making some tough choices to be able to provide those dollars without bankrupting Ontario to do it.

**Mr Cullen:** Ms Sweetnam, we're pleased to have you here. I think it was just a couple of months ago we had your husband here for an appointment, and at that time he acknowledged that he had been active in the Conservative Party and a contributor as well. Can I take it that you have also been active in the Conservative Party, a member and an organizer as well?

**Ms Sweetnam:** No. I have worked for Elections Canada as an assistant returning officer for a number of years, so at election time I'm working. I was not allowed to carry a party card of any kind. That ended about a year and a half ago. I really haven't taken the role that my husband has.

**Mr Cullen:** Thank you for that. One of the issues that has been raised here is your statement that the district health council — let me just back up a step here.

I'm looking at the whole issue of long-term care beds and I want to come back to the notion that the 1,960



waiting list that you say is much less than that — but that's a district health council estimate. The government promise of 1,313 beds will be over the next eight years. The district health council has said this isn't adequate, the MPP for Ottawa-Rideau thinks it's inadequate, he has said so publicly, and we have an aging population. I understand your comments about warehousing, but when the district health council says this is inadequate and you're expecting to head up the district health council, what do you do?

**Ms Sweetnam:** The Ottawa-Carleton district health council was concerned that there be enough long-term care beds and they expressed that. We didn't know how much we were going to have in reinvestment at that point. We didn't know if we would get any in reinvestment. It's now obvious there's substantial reinvestment there. What we need to look at is how we spend those reinvestment dollars and the best way to do that.

**Mr Cullen:** But when we look at 1,313 over eight years and we have an immediate waiting list that the district health council has identified of 1,490 — that's now, and the population is aging — and the district health council is saying this is an immediate problem, one would expect that the district health council will want to be communicating to the government that indeed there's a problem here and that more resources have to be addressed.

**Ms Sweetnam:** Believe me, that has been communicated.

**Mr Cullen:** The issue is that we already have a government MPP saying it's inadequate. I just want to know how you feel about carrying that message to the government. It seems that you think everything's all right.

**Ms Sweetnam:** No, I didn't say that. I just say that the resources and the will are there to deal with it. I think that we in Ottawa-Carleton have to take responsibility for what we're doing there. It's so easy, any problem, to just want somebody else to throw money at it and it's just not that simple. We have a lot of issues here around how older people should be looked after, about their lifestyle. There's lots happening in terms of the fact that if people had more understanding, more knowledge, more ability to control what they were about, they don't need the facility that we're trying to claim that perhaps is going to be needed. We don't know yet. We need to work with the people of Ottawa-Carleton, and we in Ottawa-Carleton have to take responsibility to do that. To sit there and say, "We've got a problem here; let's throw some more money at it," is not the answer.

**Mr Cullen:** All right, so you disagree with what the district health council has said up to this point, you disagree with Garry Guzzo.

**Ms Sweetnam:** The district health council did not say we needed immediately 1,900 beds.

**Mr Cullen:** No. There's a current waiting list of 1,900 beds and obviously —

**Ms Sweetnam:** But as already explained, that waiting list involves a lot of transfers and that kind of thing.

**Mr Cullen:** This is a net number, not a gross number. So there is a difference of opinion here.

I want to come back to the business about representing. The appointment here today is to chair and represent the district health council. Already we're seeing there are going to be some differences of views between yourself and some members of the district health council.

**Ms Sweetnam:** No, there will not be. I will represent the council. I am the chair and whatever motions come through that council, I will represent.

**Mr Cullen:** I want to walk back a little bit over the history here. The Ottawa-Carleton district health council had how many positions before?

**Ms Sweetnam:** Nineteen.

**Mr Cullen:** Of which only four were politicians.

**Ms Sweetnam:** That's right. Three were actually politicians but we had another lady on who had a political background.

**Mr Cullen:** That's fine. As I understand it, they had a restructuring process. They engaged in an intensive public consultation and it was a unanimous vote to recommend that all the facilities stay open.

**Ms Sweetnam:** We wimped out.

**Mr Cullen:** I just want to understand. You voted in favour of keeping all the facilities open and yet you participated in —

**Ms Sweetnam:** That was the wish of the majority of council.

**Mr Cullen:** Hang on. If I can just get my question out, thank you. Yet at the same time that this was happening, you were writing a report otherwise that wasn't part of that public consultation process. I'm just trying to understand here. We're held accountable for our votes. Okay? You go through a public consultation process, you get a very strong message, you vote in favour and you don't bring forward this alternative viewpoint. I'm just trying to understand how you view the process. You are working on a report that recommends closing three community hospitals when the community has said otherwise and at the public meeting that decides this, while this report is being written, you're voting in favour of keeping all the hospitals open. I just don't understand how you can suck and blow at the same time.

**Ms Sweetnam:** The public consultation was very mixed and people knew we had too many hospitals. We knew what was happening in Ottawa-Carleton. It happened over the course of 10 or 12 years that there were beds closing. The buildings were there but there were many fewer beds and people knew what that meant in terms of being an efficient hospital system, and we heard that. We came and talked to these people in Toronto at the university, who looked at it from a very objective point of view, and learned from there. That was all part of the process.

What happened at the end was it was too politically hot to face the music, and we agreed —

**Mr Cullen:** So you're at the meeting and it's politically hot, and instead of presenting this viewpoint as part of the public discussion and having a vote on it and staking out your position — I mean, who wimped out here?



1130

**Ms Sweetnam:** We wimped out at that meeting. We knew —

**Mr Cullen:** I'm looking at Beth Sweetnam here.

**Ms Sweetnam:** Can I just answer that? We wimped out at that meeting where we should have been closing hospitals, because we knew the majority —

**Mr Cullen:** Then why did you vote in favour of keeping all the hospitals open?

**Ms Sweetnam:** Can I answer the question?

**The Chair:** Mr Cullen, I appreciate you would want an answer. Could you let the witness answer, please.

**Mr Cullen:** Sure.

**Ms Sweetnam:** The majority of council wanted to go with the solution of, "Don't close hospitals." We were not comfortable with it. We realized we were going nowhere with that, so we voted with them. That was the biggest mistake I've ever made, and as a consumer who has never been on a council that had the kind of public attention that this did and usually worked from consensus, I felt that's what I should be doing. I was on council one month. I had always worked with a consensus type of board, and I made a decision that I will regret, because that was wrong. We knew that was wrong. People told us all over Ottawa-Carleton that was wrong.

With sober second thought — it wasn't at the same time. It was after, the next day, when you wake up and think, "What did I do?" Then we went to council first and we said to council, at a meeting within a few days, "Look, this is not going to fly; this is embarrassing," and we got nowhere. At that point we said: "Okay, we've made a mistake. We should never have done this. For our own credibility and for the sake of the people of Ottawa-Carleton, we need to do something to acknowledge what really has to happen here."

**Mr Cullen:** So you recommended closing three community hospitals. I think it would have been very useful for the public process to have that position out in front, as opposed to —

**Ms Sweetnam:** We did. We published it and —

**Mr Cullen:** No, not during that time. But I won't get into those details.

**Ms Sweetnam:** We published it immediately.

**Mr Cullen:** No, it was after the vote.

**Ms Sweetnam:** Yes it was. As soon as we wrote it, we published it.

**Mr Cullen:** Yes, I understand that.

**Ms Sweetnam:** It was responded to. As a matter of fact, several people in hospitals told me that it was helpful because they no longer had a phantom to deal with, that they had something to deal with.

**The Chair:** I would indicate to both of you that there's just about a minute and a half left to go, so Mr Cullen, I'll ask you to put your question.

**Mr Cullen:** I'll just move on here. Because of the proposed closures, Ottawa-Carleton is going to end up with the lowest beds-per-population ratio in Ontario. The Queensway Carleton Hospital, among other local hospitals, is saying it needs to reopen beds. In fact, the

Queensway Carleton Hospital is now looking for 12 beds; they can't cope. Will you be able to advance that cause to the province?

**Ms Sweetnam:** There is no time when people will be out on the streets. There are enough beds in our system sitting unopened that if they are needed they can be opened.

**Mr Cullen:** Will you support the funding for the Queensway Carleton Hospital to reopen beds? It says it needs them.

**Ms Sweetnam:** If it's needed, yes. They opened them during the ice storm and we supported that because it was needed at that time. Yes. The situation is that for Ontario to keep beds open an entire year to deal with a crisis is not efficient.

**Mr Cullen:** I'm just trying to marry your claim that there's enough money there —

**The Chair:** I'd ask you to wrap up quickly.

**Mr Cullen:** — and the government has put back enough that we're doing fine, yet we're having the hospitals coming forward asking for beds to be reopened. They don't think they have enough money; they're running deficits. You're the head of the district health council. We have a conflict in your position and what the hospitals are saying. How are you going to handle that?

**Ms Sweetnam:** I don't see any conflict. We support good services for Ottawa-Carleton and we will continue to do so.

**The Chair:** Thank you very much. Sorry we ran out of time.

Ms Sweetnam, thank you for joining us today. The committee will be dealing with concurrence in your intended appointment at the end of our session.

**The Chair:** Is Mr Michael Feldman here? Mr Feldman, we're actually ahead of schedule. Are you ready to come forward at this time?

**Mr Michael Feldman:** Yes, I'm ahead of schedule too.

**The Chair:** Great. You just read our minds, I guess. Please have a seat. While you're getting yourself together, I'll ask the committee members, in the intended appointments we have reviewed so far, those of Mr Salerno, Mr Hume, Mr Goulet and Ms Sweetnam, are there any that people would like to deal with individually?

**Mr Cullen:** Yes.

**The Chair:** Each of them?

**Mr Cullen:** Yes.

**The Chair:** Could you indicate to me which ones you may wish to speak to?

**Mr Cullen:** All of them.

**The Chair:** Okay. I'm going to proceed at this point with Mr Feldman and we will come back and do the concurrences at the end.

#### MICHAEL FELDMAN

Review of intended appointment, selected by the official opposition party: Michael Feldman, intended appointee as member, Ontario Housing Corp board of directors.



**The Chair:** Welcome, sir. We appreciate your joining us today. If you have any opening comments you would like to make, I offer you the time at this point and then we will begin questioning with Mr Cullen.

**Mr Feldman:** Serving on the board of OHC, for me, is an exciting challenge and I appreciate the opportunity to appear before the standing committee on government agencies to present my experience and qualifications for this appointment. I assume that each member of the committee has received my CV. You will note that I have had a broad range of involvement in community service. For today's purpose I will focus on my experience in housing, but first a brief review of my business background.

In 1953 I established a small business, Teela Data Management, that reported property sales on a national basis. We reported who bought, who sold, what they paid for it, mortgage breakdowns. We became the barometer of the real estate industry in the country. We evolved into publishing the multiple listing catalogues across Canada and parts of the United States, with plants or offices in Montreal; Toronto; Edmonton; Vancouver; Buffalo, New York; and San Francisco. I sold the business to the Moore Corp in 1982 and stayed on to run the company for six more years. I retired in 1988. I was tired of being retired and in 1992 was elected to North York city council and have served that same constituency and still serve it on the new Toronto city council.

I was involved with social housing for more than 25 years and I've been a director of the three largest housing companies in the city of Toronto. In 1973 I was appointed director of the Metropolitan Toronto Housing Co Ltd for a three-year term, and 23 years later, because I was elected to North York city council, I had to resign. I was no longer eligible to be on the board as a citizen member.

During my 23-year span with MTHCL, I served as vice-chair and also as president of the newly formed Metropolitan Toronto Singles Housing Co and I was president of Metropolitan Toronto Housing Development Corp. While I was at MTHCL I was instrumental in creating a unique form of housing that was constructed without government funds, the guaranteed equity project at Malvern.

When OHC decided to establish local housing authorities to manage the OHC portfolio in 1981, I was appointed to the Metropolitan Toronto Housing Authority's first board of directors. Four years after my appointment, I decided to leave MTHA because the authority had no authority. My opinion is that citizen members must have a sense of accomplishment, or serving on government agencies holds no reward.

I was also a member of numerous task forces and committees between 1983 and 1988: the Metro Toronto Task Force on Housing for Low-Income Singles; the Task Force on Roomers, Boarders and Lodgers in the province of Ontario; the task force on housing physically and developmentally challenged individuals who require attendant care — that required the establishment of a building at Bathurst and Prince Charles — and the

advisory committee for Metro Toronto Homes for the Aged.

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While I was president of our synagogue, we established the Reena Foundation. Reena's purpose was to create a group home environment for developmentally challenged young adults because some of our congregants were concerned with what would happen with their children once they passed on. The success of that organization over the past 25 years has proven to be the model for such programs internationally.

One of my responsibilities on Toronto city council — back to housing — is that I'm on Cityhome and the MTHCL board, charged with the task of marrying the two companies and working through the potential economies of scale.

I am a member of the community neighbourhood services committee, city of Toronto, which is the committee of council that deals with housing, among other social issues. In summation, I've been involved with social housing for some 25 years.

**The Chair:** Thank you very much, Mr Feldman. We will move to the official opposition.

**Mr Cullen:** Thank you, Mr Feldman, for coming. In looking at your extensive résumé, I couldn't help but notice seeing here "president of the Downsview provincial riding association, president of the York Centre federal riding association." What party?

**Mr Feldman:** How long ago?

**Mr Cullen:** You should know that.

**Mr Feldman:** It was the PC party and it was many, many years ago. I am now not a card-carrying member of any party but sympathize right of centre.

**Mr Cullen:** We don't need to go any further than that. I look at your extensive background in housing and you're currently on city of Toronto council. What are your views about downloading the costs of social housing on to the property tax base?

**Mr Feldman:** I was not in favour of downloading housing, only because it's not a finite number that can be downloaded. I was on Mac Carson's committee reviewing social housing reform before the devolution down to the municipalities. The committee I was on was involved with management, administration and ownership. We met for 15 all-day meetings every Monday for months. I was the one who made the presentation for the Carson committee. I suggest that if we're stuck with it, we have to be the owners — the municipalities, that is. That was my opinion.

I realize that when the government took the education tax it has to replace it with something. I would like to see it find something else to replace it with besides housing because the real estate tax base is not based on ability to pay.

**Mr Cullen:** That's right.

**Mr Feldman:** And income tax is. I believe housing is global. I don't think that we can stick just to the one city, and especially the city of Toronto because it has a vast portfolio, over 60,000 units: 30,000 we'll inherit, 30,000



we've got now. Each of those units costs in excess of \$200 a month per month subsidized. We've got to find some better ways of doing it.

I would like to see it take a portion of the welfare and say, "Here, Toronto, you owe us \$250 million," as opposed to, "Here's a portfolio." We don't know the state of the portfolio. I can't do due diligence. Any businessman says, "What's the structure etc?" I feel that OHC is going to have some major problems. I'd like to be sitting at the table when they have those problems.

**Mr Cullen:** Sure. The Association of Municipalities of Ontario has been saying to the government that we should listen to the Crombie commission, the Who Does What commission, which said that these things should remain with the province, that they're social transfers, but that now the government insists on transferring it to the municipalities, the municipalities should have say for pay, control over costs. So municipalities are talking about the ability to set rent, to determine eligibility. First of all, is that a legitimate way to control costs?

**Mr Feldman:** No, I don't think so.

**Mr Cullen:** What does this do to the notion of universality of the program? You can't have different rents in different cities. You can't have different eligibility. Doesn't this fracture basically an important part of the social safety net?

**Mr Feldman:** Not necessarily. I think that the municipalities — the province has to set a set of standards and benchmarks and guidelines. One of the things I think is sacrosanct is eligibility. RGI units have to be rented at a specific amount.

**Mr Cullen:** RGI is rent geared to income.

**Mr Feldman:** The rent-geared-to-income has to be rented at a specific amount. There have to be benchmarks on some of the other portfolios, the private non-profits, the municipal non-profits. I say that say for pay involves ownership only because in order to economize, we've only got a couple of areas to work with and the tenant has to be protected. Our client has to be protected in the long run.

One of the important areas is refinancing and restructuring the portfolio. With due respect, if the municipality has to come to the province, hat in hand, saying, "We would like to do this," then — I said to the committee and I will quote it here, "If the province is out of housing, you're out of housing." You can't have it both ways.

**Mr Cullen:** Would the more acceptable notion be that municipalities have responsibility for administration but that the province retain the —

**Mr Feldman:** Benchmarks.

**Mr Cullen:** — the obligation to provide, for example, the subsidy for rent geared to income?

**Mr Feldman:** No.

**Mr Cullen:** You think that can come from the property tax base?

**Mr Feldman:** It has to come from the property tax base if they're devolving.

**Mr Cullen:** But is it right?

**Mr Feldman:** If I had my druthers, as I said earlier, I would prefer that the province keep housing. I would

prefer that on a personal basis. But if we have the portfolio, I want to sit at the table so we can control somewhat what is happening to that portfolio. Bill 152 specifies — it's implied if it's not written — that there is say for pay.

**Mr Cullen:** This is the area we're talking about, the principle of keeping rent geared to income affordable. If rent geared to income is going to be kept affordable, then the money has to come from someplace, and I think I heard you say earlier that it shouldn't be coming from the property tax base because it's not based on the ability to pay.

We have an affordable housing crisis in Ontario. Would you agree that in Metro Toronto there is a large number of people from the low-income strata who aren't in social housing, who require some assistance to have affordable housing? We have that in Ottawa-Carleton. I know that.

**Mr Feldman:** But we do have the other side of the coin. Unfortunately, social housing has become a destination as opposed to, "We provide it when you need it, and move on when you no longer need it." Because it becomes a destination, we don't get the movement, so we can't take up the waiting list that's behind it. It's twofold. It's not just monetary. It's not just throwing more money at the program. We have a waiting list in Toronto that is as large as the number of people we house.

**Mr Cullen:** What's that number? What number are we talking about here?

**Mr Feldman:** We have a waiting list in both portfolios of some 45,000 or 50,000, and we house about 60,000.

**Mr Cullen:** We have a waiting list in Ottawa-Carleton of over 12,000. It takes three to five years to get in.

**Mr Feldman:** I have people who wait 10 years and 12 years.

**Mr Cullen:** The Ontario Housing Corp has actually been looking at selling off housing. Do you think that's appropriate given these waiting lists?

**Mr Feldman:** At the last MTHCL meeting with Cityhome, the Toronto housing company, there was \$11 million of property that was identified by the budget committee that could be sold off, and I was the one who made the motion saying: "Hold off. You don't sell it off before we find out if it can be used for social housing economically." You can't just have a house, isolate it, service it. Your costs are much too high. But the dollars that would come out of it if it is sold off have to go back into providing housing in another location for the same number of units.

I think one of the other benchmarks the province has to impose is that if we give you 20,000 RGI units, you must maintain 20,000. You can't sell off and have less than the 20,000.

**The Chair:** Last question, Mr Cullen.

**Mr Cullen:** So the point of these scattered units, which by the way tend to house larger families, you're saying would have to be redirected and the housing replaced. We're changing the form, but because of the waiting list, we should not reduce the stock.

**Mr Feldman:** That's right.



**The Chair:** We move to the government. Your caucus has about five minutes.

**Mr Jim Brown:** Good morning, Mr Feldman. You've been around social housing for a while.

**Mr Feldman:** Just a bit.

**Mr Jim Brown:** I have a fair bit of it in my riding. One of the concerns is the amount of crime that exists in some of these units. I'm wondering, from your perspective and your experience, what positive suggestions can we get from you to clean up some of the problems? We have some units that are used as houses of prostitution, some units are used as crack houses, and we have a fair degree of violence in some of the places.

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**Mr Feldman:** The answer, I believe and have believed for many years, is that the tenant population has to have more responsibility for its own housing. That's why I'm excited about the Alexandra Park experiment, where the tenants themselves will be the managers. The problem is that the tenants have not yet been taught. They have to be educated on how they can manage their own portfolio. If the tenants could control the buildings themselves, they would have these people out of there faster than a government agency that relies on what they will read in the press tomorrow about the dirty government that kicked someone out of a unit whether they deserved it or not. The tenants themselves — that would go a long way to solving some of the problems.

**The Chair:** Any further questions from the members of the government? No? Mr Feldman, thank you for joining us.

**Mr Feldman:** That was painless. I thought —

**The Chair:** That's it. I know you're a busy man. It was a short time, but I think your qualifications impressed everyone to silence. It's unusual in this committee. Thank you for joining us.

Committee, if we can move to motions of concurrence, we'll deal with each of the appointments individually, beginning with Mr Salerno, intended appointee as a member of the investment advisory committee of the public guardian and trustee. May I have a motion for concurrence on his appointment?

**Mr Grimmatt:** I move concurrence.

**The Chair:** Is there discussion?

**Mr Cullen:** Very brief, Madam Chair. We're going to support this appointment. Clearly Mr Salerno brings both his own skills and the position of his office to bear here.

I cannot resist, though — in going through his comments, he talked about how close the premium was in terms of what Ontario paid over the federal government in terms of interest rates. We know that the author of the interest rate policy that has saved this government and the taxpayers of Ontario so much money of course has been the federal government. It's very nice to hear that from time to time, that at least a civil servant will recognize that.

**The Chair:** Thank you very much. I appreciate your comments on the intended appointment. Is there any further discussion? No? Seeing none —

**Mr Stewart:** Madam Chair, a recorded vote, please.

**The Chair:** Yes, Mr Stewart, a recorded vote.

### Ayes

Jim Brown, Cullen, Gravelle, Grimmatt, Bert Johnson, Newman, Stewart.

**The Chair:** Mr Stewart, will you be requesting a recorded vote on each of them?

**Mr Stewart:** Yes, I will.

**The Chair:** Okay, we'll just do that as the standard approach then.

Next is the intended appointment of Mr Peter Hume as a member of the Champlain District Health Council. May I have the motion of concurrence, please?

**Mr Grimmatt:** So moved.

**The Chair:** Any debate?

**Mr Cullen:** Again, Madam Chair, we'll be supporting my former colleague Peter Hume, a very fine Tory and member of regional council. But I do have to point out that he has indicated the challenges they'll be facing, that district health council. The downloading of public health to the regional municipality is in the order of some \$44 million. If the government does not come through with continued assistance to protect ratepayers, he has indicated that what is being downloaded will be faced with the same budgetary pressures and reductions in services as any other service that the region may provide. Coincidentally, the assistance that the government has provided on a one-time basis to date is around some \$44 million, and he has indicated that the costs the region is facing are some \$50 million. So we're looking at some significant challenges here in the provision of public health.

With respect to hospital closures, Councillor Hume did indicate that he was opposed to the closure of the Riverside Hospital and he brought to the government's attention the additional costs of health care restructuring. The government is well aware that in Ottawa-Carleton \$128 million has to be reinvested to make it work, and one third, or about \$47 million, is going to be a local taxpayer contribution. He has indicated to this committee that that is in the ballpark of \$35 million in additional costs for local taxpayers to help make the solution work. Already we're looking at anywhere between \$70 million and \$80 million-plus that the local property taxpayers will have to fund to make it work. He has indicated that the region cannot accommodate those kinds of additional costs.

Councillor Hume has brought to this committee's attention, and I hope to the government's attention, the difficulties being faced and the kind of rethinking that is going to have to be done in terms of this government's health care plan. It's interesting when the local representative, a member of the Conservative Party but dealing where the rubber hits the road, indicates that there are such major problems and major challenges. Quite frankly, I hope the government is listening; so far, as he has indicated with his own proposals for the restructuring of health care, it has not.



**The Chair:** Any further debate?

**Mr Stewart:** Just one comment. Certainly I would support Mr Hume, but I would also hope, because of the concern the member from Ottawa-Carleton has, that as soon as he goes back to his riding he'll go up the hill and talk to his country cousins there and suggest that they give the province back the \$2.1 billion they have taken away from us in health and social benefits so that the costs for his constituents and his ratepayers would not be what he is suggesting. There was some comment he made some time ago about sucking and blowing at the same time. You cannot do that. I would suggest that you make a commitment — and I mean this — to go to your counterparts in Ottawa to see if you can somehow get them to give us back the money so there will not be a problem for your ratepayers.

**The Chair:** Any further debate? Seeing none, a recorded vote.

### Ayes

Jim Brown, Cullen, Gravelle, Grimmett, Bert Johnson, Newman, Stewart.

**The Chair:** The motion is carried.

The next person we deal with is Mr Bruce Goulet, intended appointee as a member of the Criminal Injuries Compensation Board. May I have a motion for concurrence, please?

**Mr Bert Johnson:** I move concurrence.

**The Chair:** Is there any debate or discussion?

**Mr Cullen:** I just think it's wonderful that when someone is looking for an appointment — and it was clear from Mr Goulet's comments that he was looking for an appointment — one can actually reach through and get a patronage appointment by calling the Premier's office. I wish the rest of Ontario would have such success.

**The Chair:** Any further discussion or debate? Seeing none, a recorded vote.

### Ayes

Jim Brown, Cullen, Gravelle, Grimmett, Bert Johnson, Newman, Stewart.

**The Chair:** That's carried.

Ms Beth Sweetnam, intended appointee as member and chair of Champlain — no, I'm sorry. Let me correct that. The information we had before us was that Ms Sweetnam was an intended appointee as a member and chair. As she indicated and as has been confirmed with the appointments secretariat, the order in council will reflect the appointment as chair; she already is a member. The motion of concurrence I'm looking for is for intended appointee as chair of Champlain District Health Council. May I have a motion of concurrence, please?

**Mr Grimmett:** I so move.

**Mr Cullen:** I guess this is where the wheels fall off this wagon of concurrence. I'm from Ottawa-Carleton. I

remember very well the very public process we went through with the district health council looking at hospital restructuring. There was very much a public process. Indeed, when the district health council voted unanimously to support keeping the facilities open, that was following a very intense and very public process.

It was with some amazement and, according to some members of the district health council, some controversy when all of a sudden it was discovered that there were six members of the district health council who were proposing the closure of three community hospitals all through this time and sending a report off to the Health Services Restructuring Commission. Ms Sweetnam was part of that. Quite frankly, I cannot gainsay her appointment to the district health council, but I have to wonder about her objectivity and her ability to represent that district health council in making its positions to the government. Here was a public process that the public entered in good faith and then there was a decision made, a public decision, and all that time, those members — and Ms Sweetnam was part of it — were conducting and proposing an alternative policy perspective that did not become part of that public process, that was not voted on by the district health council.

I'm sorry, when the district health council takes a position — we all have our individual viewpoints. We go through a process and there is a majority and there is a minority, but then there is closure and we expect the process to continue.

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Here we have a situation where, quite frankly, we have an apologist for the government who says all things are well in Ottawa-Carleton. Yet we are running deficits in the hospitals. We have hospitals asking for beds to be reopened. Even the local member is saying that in terms of long-term care the government proposal is inadequate. We have a previous member, whom we just approved here, Councillor Peter Hume, saying that we have these challenges and that we need to make sure that these points are brought forward to the government.

I do not have confidence in this appointment to be able to carry forward with integrity the position of the district health council. How can you go through a public process and vote for keeping all the facilities open while at the same time privately be preparing your report recommending the closure of three major community facilities? This is simply, to put it mildly — I'm trying to find the appropriate word. There is certainly misleading representation when we have such a situation.

I think it's reprehensible. You have to have the honesty to bring forward in the public debate the position. Fine, if it goes down on a vote, but you have to have the ability to carry forward the position of the district health council when you're chair whether you like it or not.

I can tell this committee that as far as I'm concerned and others are concerned in Ottawa-Carleton, we do not have that confidence, simply do not have that confidence. There you are, Madam Chair. We'll be voting against this appointment.



**Mr Newman:** I will be supporting the appointment of Ms Sweetnam as the chair of the district health council because I think she understands the issues. We've talked about the waiting lists. In my three minutes earlier, I didn't get an opportunity to mention the fact that as of March of this year, of the so-called waiting list Mr Cullen was referring to, over half of those people are already receiving care in one form or another. They're getting it from an acute care hospital, they're getting it from a chronic care hospital or they're already in a long-term care facility and are requesting a move to another site.

We had continual references here today to the waiting list. If you look at the total in March, which was 1,273 people, if you actually look at where the numbers come from, 667 people are in their homes right now and have requested a long-term care space — that may be for in a year or two, but they've put their name on the list and I think we all have to acknowledge that; there are 120 who are in an acute care hospital facility, there are 39 who are in a chronic care hospital and there are 447 people who are already in a long-term care facility who want to be moved to another site.

Those last three make up virtually half of the list, so to continually say that there's a waiting list of 1,300 people awaiting services just isn't as accurate as it might be.

Also, in terms of the waiting list of the Ottawa-Carleton CCAC, there is no waiting list for nursing, there is no waiting list for homemaking and there's no waiting list for dietetic services. I think that's important to keep in mind. The fact that Ms Sweetnam understands this is the reason I would be supporting her appointment.

**Mr Bert Johnson:** I want to just put some comments on, if I could. I'm going to support this appointment. The appointee had a dilemma as a new member of the district health council. I, maybe unlike some of my colleagues, heard an explanation and I accept it, so I don't have that problem with the explanation of her actions as a member of the district health council.

**The Chair:** Is there any further discussion or debate? Seeing none, a recorded vote.

#### Ayes

Jim Brown, Grimmett, Bert Johnson, Newman, Stewart.

#### Nays

Cullen, Gravelle.

**The Chair:** The motion is carried.

Dealing with Michael C. Feldman, intended appointee as member of the Ontario Housing Corp board of directors, may I have a motion of concurrence, please?

**Mr Cullen:** This is an appointment we are very pleased to support. I think there are some very telling points that Mr Feldman made in his presentation. The government has yet to determine benchmarks, has yet to determine the means by which the social housing will be

transferred to municipalities. We continue to hear from each applicant who comes forward whom we deal with here who's a municipal representative going on to the Ontario Housing Corp — we heard this at our last session and we heard it today — that the municipalities still do not want social housing being downloaded. They think it's inappropriate. They agree with David Crombie.

We also heard here that there is a requirement to ensure that the transfer of social housing respects rent geared to income — that's going to be very difficult to do from the property tax base — and that there ought to be province-wide standards. Again, that's going to put a burden on the property taxpayer that this government is going to be responsible for.

We also heard, amazingly enough, that there are almost as many people on the waiting list for social housing in Metro Toronto as there are units. Since this government has come into power in 1995, it cancelled a large number of social housing projects that were designed to at least eat away at that waiting list, has brought in no new housing, and in fact the Ontario Housing Corp has three times come to the brink of selling off units. That just flies in the face of this tremendous demand.

Just understand. For someone who is paying more than 30% of their gross income for shelter, that means less money for their kids, less money for their health, less money for their future. This is the benchmark we have, that 30% of their gross income should go to shelter, and this government raised it from 28% to 29% to 30%.

We still have these people out there being left on their own, being forced to pay more than 30% of their income — less money for their kids, less money for their health, less money for their future. How can these people make it? How can they put money aside? How can they invest in their kids? How can they look after themselves and therefore be less cost to the taxpayer downstream when this government refuses to address the problem, throws it over to the municipalities to a tax base that they know is inadequate and inappropriate for the task and says, "Good luck, Charlie"?

It's wrong. Mark my words, within five or 10 years' time the pendulum will swing back, because there has to be a means to address this problem or we will have more of what the member mentioned earlier in terms of the ill conditions, the social conditions we are trying to address the symptoms of instead of dealing with the roots. This is an important part of the social safety net and we should be making sure we address the roots of the problem instead of just passing it over to the municipalities.

What happened during the 1930s when municipalities had sole responsibility for all these social programs? They went bankrupt. It was the senior levels of government, with their greater access to sales tax, corporate tax and income tax, that took it over. I say to you, address the roots of the problem, but simply forcing it over to the municipalities is an inappropriate solution. You're going to have to address it.

**The Chair:** Is there any further discussion or debate? Seeing none, a recorded vote.



**Ayes**

Jim Brown, Cullen, Gravelle, Grimmett, Bert Johnson, Newman, Stewart.

**The Chair:** That carries.

That's the end of the business stated on the agenda. No further business from members? Seeing none, I'll ask members of the subcommittee to stay behind for an informal meeting and declare the meeting today adjourned.

*The committee adjourned at 1209.*







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## Assemblée législative de l'Ontario

Deuxième intersession, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 19 August 1998

# Journal des débats (Hansard)

Mercredi 19 août 1998

Standing committee on  
government agencies

Intended appointments

Comité permanent des  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 19 August 1998

Mercredi 19 août 1998

*The committee met at 1005 in room 228.*

## INTENDED APPOINTMENTS

## MICHAEL HENNESSY

Review of intended appointment, selected by official opposition party: Michael Hennessy, intended appointee as member, Ontario Housing Corp board of directors.

**The Vice-Chair (Mr Rosario Marchese):** I call the meeting to order. Just to point out to people at the back, Frances Lankin is the Chair. We expected her to be here. She could arrive, and if she does, I will assume my position there and ask questions at that time. In the meantime, I will be chairing. We're calling Michael Hennessy to come up as the first person we will be interviewing today.

Welcome, Mr Hennessy. We usually allow the individual to make some statements if he or she wants. If you don't have any comments to make, we'll move immediately to questions from the government party. We'll leave that up to you.

**Mr Michael J. Hennessy:** Thank you. I would like to make a few comments.

Mr Chair and members of the standing committee, I thank you for the opportunity to speak to you today. I am a retired teacher, retiring from Fanshawe College in London, Ontario, in June 1988. After retirement I went to the United Arab Emirates to participate in establishing their higher colleges of technology. Returning to Canada after two years in the Emirates, I was asked to return to my previous position at Fanshawe College to enable my replacement to receive medical attention. This was to be a temporary assignment. This temporary assignment continued until December 1997.

I was first elected to Ingersoll town council in 1991 and re-elected in 1994. In 1997 I became mayor. During my six years as a councillor I served as chair of finance and administration, together with other related committees. During this period there were no municipal tax increases.

My wife, Daphne, and I have two grown children. Both have families of their own and we are proud grandparents.

As a municipal councillor I am aware that housing is becoming more and more a municipal concern: downloading of responsibility for local housing, mandated minimum services, administrative structures shared between upper-

level governments, together with the possibility of insufficient funding. There is need for clear direction.

I see the role of municipalities as an opportunity to utilize more municipal services with upper-level government. The economies through this kind of sharing could result in savings that would benefit local authorities.

The purpose of this application is to seek to become more knowledgeable in the requirements within the present system and to be able to identify those requirements. This, I believe, can best be accomplished by submitting my name for appointment to this committee. Thank you.

**The Vice-Chair:** We have questions. Ms Mushinski, to begin.

**Ms Marilyn Mushinski (Scarborough-Ellesmere):** I have a couple of questions. Mr Hennessy, you have an interesting and varied municipal background, culminating in your acclamation as mayor in 1998. Are you familiar with the social housing projects in Oxford county? Do you have any comments with respect to the devolution of Ontario Housing to the municipalities?

**Mr Hennessy:** First, I would say that I have limited knowledge with regard to the local housing authority. I can say we have 1,600 units and it's supported by about 13 organizations. With regard to devolution, I must say that I support it. I have some concerns, but generally speaking I support the devolution.

**Ms Mushinski:** When you say you have limited knowledge of the housing projects, you say there are 13 organizations, so I take it that there are varied social housing projects, ranging from non-profit to co-ops, as well as OHC housing.

**Mr Hennessy:** That is correct.

**Ms Mushinski:** OK. Are you aware of whether there is a particularly long waiting list in your region?

**Mr Hennessy:** I am not aware of the numbers. In a previous conversation that I had about two weeks ago, we're using a figure of 30% as being the true number of that waiting list because we're finding that there is movement from one area to another.

**Ms Mushinski:** You see there is a fair amount of transition at this point.

**Mr Hennessy:** Yes.

**Ms Mushinski:** OK. I've got one final question, just to really get an understanding of your philosophy towards social housing. Do you think that government should be in



the business of housing developments, or would you prefer to see the private sector build affordable rental housing?

**Mr Hennessy:** At the present moment I think it would have to be a combination. I don't think the local municipalities are really in a position at this stage to take over the full responsibility. Eventually, yes.

**Ms Mushinski:** So you'd like to see the process of devolution and the appropriate setting up of administrative functions before the municipalities or the private sector completely take over affordable housing projects.

**Mr Hennessy:** Yes.

**Ms Mushinski:** I don't have any further questions.

**Mr Joseph Spina (Brampton North):** Mr Hennessy, thank you for coming forward. You bring an interesting perspective, and that is a municipal perspective, to this particular board. I wondered what skills you personally saw that would be relevant to the board in bringing that perspective.

**Mr Hennessy:** I like to think, although this must be judged by others, that I have good financial understanding. I have been chair of finance and administration, and I am deemed to be a budget freak, that we maintain budgets and this type of thing. If I have any strengths, it's probably in that area. By profession, my majors were logistics, economics and statistics, so I think I have good knowledge in terms of areas of numbers.

**Mr Spina:** Thank you, sir. I wish you well.

**Mr Michael Gravelle (Port Arthur):** Good morning, Mr Hennessy. I want to pursue some of the aspects of the questioning that was begun by the government party, but I just want to ask you first of all if you're aware if you have any relation to a former member of the Legislature named Michael J. Hennessy, Mickey Hennessy, the former member for Fort William for many years. He was Michael J. Hennessy.

**Mr Hennessy:** I'm afraid I have no knowledge of that person.

**Mr Gravelle:** A legendary man from northern Ontario, a scout with the Montreal Canadiens, just a great gentleman. Succeeded in his seat by Lyn McLeod, as many of the members of the government know. Mickey was a wonderful man.

**The Vice-Chair:** Must have been.

**Mr Gravelle:** He was an incredible man — a boxer.

**The Vice-Chair:** Legendary.

**Mr Gravelle:** Mr Hennessy, I want to pursue this in terms of you did say at the beginning of your remarks or, I believe, in questioning from Ms Mushinski that you support the devolution of social housing down to municipalities. But then a little later on you made it clear that you didn't think the municipalities were ready yet to take it on, so I want to ask you a little more about that. The pressure is on. Obligations have begun as of January 1. The full administration takes place in the year 2000. Actually, if you wouldn't mind just telling us why you think it is appropriate.

I can certainly tell you why I would argue that it may not be appropriate for the municipalities to be handling it because of the fact that they have various resources and

different abilities to manage them. Also, in terms of provincial responsibilities, my feeling is that it's something that should be handled by the province. But obviously you're sitting here today. I'd be curious as to why you think it's appropriate, if not a good idea, to have it devolved to municipalities.

**Mr Hennessy:** I'm of the opinion that the requirements for social housing differ from area to area

**Mr Gravelle:** Exactly.

**Mr Hennessy:** The area that I come from, Oxford county, is generally considered to be an agrarian-type locality. The problems that we have would be vastly different from those problems that would be entertained by a large city like Toronto. I think there has to be local involvement to make the system work, taking into account those conditions that apply in the specific area. I'm not against an overall policy. That I support entirely, but I believe there should be enough flexibility at the local level to adjust to the local conditions.

**Mr Gravelle:** I think in some ways you're actually making my point, which is that there are obviously different circumstances around the province, the city of Toronto being a good example, where there's obviously a greater responsibility for social housing. You talk about having some local involvement, but I take it you don't necessarily believe — the financial pressures could be fairly extreme, obviously, on some of the communities in the province. Are you saying you believe it is appropriate that those financial pressures should be handled by the municipalities?

**Mr Hennessy:** Eventually, yes. I believe they need guidance in this area. The reason I'm having problems with this is, I should point out that in Oxford county we're a two-tier government. The present responsibility is at the county level, and I am a county councillor. The movement from county down to the very local level, the municipal level, I think is going to take much longer to be effective. The present devolution is quite adequate to the county level, but I'm not sure that it's ready to go down to the municipal level. I'm talking Oxford county only. I have very little knowledge in other areas.

**Mr Gravelle:** Are you saying then that at the very least the government should slow down? The timeline they've got in place now is one that seems fairly firm. Would you in your position, if you are approved today, ask them to look at changing the timing for this in terms of your situation at least?

**Mr Hennessy:** I would have to see the structured timing to comment on that question.

**Mr Gravelle:** As the mayor of Ingersoll, obviously you're facing all the responsibilities of the downloading, or transfer of responsibilities, as the government would prefer to call it. Certainly we view it as a downloading in that we don't believe it's in any way revenue-neutral. Are there other aspects of that downloading that concern you? I know that certainly other communities and jurisdictions have argued that indeed some aspects of the downloading really should remain the responsibility of the province. Do



you have any thoughts on that? I'm just curious in your position as mayor.

**Mr Hennessy:** I would be lying if I said no. Yes, we do have problems. We are coping with them. The assessment is one major problem, and new taxing. The education tax and the offsetting of that tax by tax ratios and percentages is again causing problems, but I think they are problems that we can overcome.

**Mr Gravelle:** In other words, you believe in essence that this is something that — is it really more a question that you have no choice and you'd better deal with it, or is it that you absolutely agree that it is a good idea? I guess that's what I'm trying to pin down. I don't mean particularly to put you on the spot. I'm just very curious as to your position about it in that you'll be sitting in an important position presumably after today, so I think it's important to get your very clear viewpoint on the whole social housing policy in this province.

**Mr Hennessy:** I think in terms of the total statement, I would have to say that — and I'm expressing a personal view now — the status quo is not acceptable. There must be change. As to what degree of change, I have mixed emotions in that area. However, definitely I believe change is necessary. I don't know if that answers your question.

**Mr Gravelle:** In other words, may I say, without putting words in your mouth, that you believe that change is necessary but not necessarily the way it is been handled at this stage? This would not be necessarily the way that you would think it should be done.

**Mr Hennessy:** At the moment, sir, I have an open mind, and I'll be directed by others in that area.

**Mr Gravelle:** Just your thoughts on social housing in general. In terms of Ingersoll itself, do you know what the waiting list is in Ingersoll?

1020

**Mr Hennessy:** I don't know the actual numbers. I do know that we're using this factor, as I mentioned earlier, of 30% as being a need. However, we have a very flexible movement in the area between different communities. As far as I know, there is accommodation in the future to add to our present facilities. To what degree, I really don't know.

**Mr Gravelle:** Mr Hennessy, did you seek this position out? I'm curious. Did you seek out the position to go on the board here?

**Mr Hennessy:** No. It was in a conversation with Mr Ernie Hardeman, our MPP, that I expressed an interest in the area, and I didn't know there was an appointment or a vacancy. He contacted me later to ask if I would be prepared to apply for this position.

**Mr Gravelle:** Are you a member of a political party, Mr Hennessy?

**Mr Hennessy:** I have been. I'm not at the present moment.

**Mr Gravelle:** Thank you very much, Mr Hennessy. Obviously you intend to take this position very seriously. I hope you do and I'm sure you will retain an open mind about how you feel about the devolution policy. I would

certainly encourage you to express that once you're in this position, because I think there are some great concerns about this process and it's important that we have people who are open to being perhaps critical of it or making some suggestions. Certainly someone in your position in terms of your responsibilities municipally could make a real difference, so I hope that is the case. Thank you very much.

**The Vice-Chair:** We thank you, Mr Hennessy, for coming down to answer our questions.

#### JANE LIMINA

Review of intended appointment, selected by official opposition party: Jane Limina, intended appointee as member, Consent and Capacity Board.

**The Vice-Chair:** I'd like to call Jane Limina. Welcome. We give you the same opportunity, Ms Limina, if you want to make some statement before we get to the questions. If not, we'll move straight to the questions.

**Mrs Jane Limina:** I will briefly. Thank you very much, Mr Chair, members of the standing committee.

I was born in North Bay, Ontario, where we were fortunate to return as a family 15 years ago. Our family, my husband and daughters, continues to maintain an interest in the city of North Bay. The community has changed since I grew up. It has grown not only in size but in its makeup; there's more. There's more because of its generation of people making a contribution. I can tell you that I have been involved in the community that I have lived in through my growing-up years in high school, through my college-university years and my almost 25 years of marriage. I was involved because of our family interests and activities or what would have been happening in my interest in my school years. I felt that I could give back what I had been given.

I'm assuming that you have my resumé. I have been involved in the school system. I have been involved from parent-participating preschools right through to the high school level. I've also been a board member and fundraiser of the local Capital Center and art gallery and the North Bay Crisis Centre. I am a fundraiser for the Nipissing Rotary Club, where my husband is a member, and the YMCA aquatic campaign. My interests lie within gardening and the French River, which I left to come here today, so this is very important to me also.

I do not pass judgment on people. I know them well. I have always been involved with others within my career at IBM and Bell Northern Research. My degree is in journalism, and I was employed in public relations departments for both of those companies. I also in the city of North Bay worked full-time for five years for a company known as AIM, where I worked with the citizens of North Bay. It is a federal-government-funded project where I was able to enrol others in work situations within the community and have them feel some worth and start a career. I did this very successfully. I'm now employed part-time with my husband on special projects within the community in the insurance industry.



I thank you for this time and I can assure you I will do my best for my community and represent well on the Consent and Capacity Board. I am not judgmental, I am empathetic, I maintain my perspective and always have, I listen well and I am a positive person. Thank you.

**The Vice-Chair:** Thank you. Mr Gravelle, we'll begin with you.

**Mr Gravelle:** Good morning, Mrs Limina. This is a sensitive position, I believe, the Consent and Capacity Board. It's one that requires, in my opinion, a great deal of sensitivity and some expertise in the area. On your resumé I don't think I see that in terms of involvement. May I ask, did you put your name forward in terms of this particular board, and why do you feel in that sense you are qualified to sit on this particular board?

**Mrs Limina:** No, I did not put my name forward. I believe my name came out of the constituency office because of their knowledge of my work within the community. I was interviewed on the telephone by a panel representing the Ministry of Health. I also sent down my resumé, at which time I learned that I was being considered. Then I received word that I would be coming here.

I am qualified as a community member for the Consent and Capacity Board because I feel my knowledge of others and my instinct towards others allow me the opportunity to look at a situation and follow the guidelines set out by the Mental Health Act and stay within those laws that protect the community or the patient. I believe I am able to do this.

**Mr Gravelle:** You mentioned that it came out of the constituency office. Can you tell us whose constituency office that would be?

**Mrs Limina:** Mr Harris's.

**Mr Gravelle:** The Premier's constituency office. The question I will ask you is — you feel you're qualified. Obviously you want to have your name put forward. It was put forward by the Premier. Do you work with the Premier

**Mrs Limina:** No, I don't.

**Mr Gravelle:** Are you a supporter? May I ask that question?

**Mrs Limina:** I have been a supporter of the Conservative Party but I've also been involved in other parties.

**Mr Gravelle:** Have you studied the Mental Health Act? Can you tell us that you've looked at all the aspects of the Mental Health Act, plus the Consent and Capacity Board issues? Do you feel that you've got yourself prepared in that sense, in the formal sense?

**Mrs Limina:** I have been reviewing a bit of it because I was able to attend a hearing as an observer. I also met with Mr Bay, who was attending a meeting in North Bay, not assuming I would get this position but realizing that it would be very expensive to come down here. I just wanted a little bit of background, as an outside person, giving me a little bit of knowledge of what I would be involved in. I felt that not knowing very much about it, I had to do a

little research myself to see if I was prepared and could contribute positively to this position.

I am not fully knowledgeable. I will learn more. I know what my position is as a community member, along with the lawyer and the psychiatrist who are on the panel with me. I know what my position is. I'm not a professional there. I am a community member and I will see something, maybe, through discussion that will aid in the decision. I am not a professional on the board.

**Mr Gravelle:** There are a lot of issues that are swirling about us in terms of some of the potential changes and concerns that people have in terms of the Mental Health Act and I'm just wondering whether you're familiar with them as well. Certainly one of them is to do with people who are not always taking their medication when they should and people being put in a position where some people believe that they should be, depending on the circumstances, required to do so. Have you got a position on that? I think everybody in a community probably has some thoughts about that. Do you have any thoughts?

**Mrs Limina:** I will not offer an opinion because I feel everybody's situation is different. Until you are put in a situation where you can hear that other person and their situation, you can't offer an opinion. You have to deal with each situation at the time.

1030

**Mr Gravelle:** So then you wouldn't support a change to the Mental Health Act that would give more flexibility to the system to basically force people to take the medication that obviously a doctor believes is what is needed to help them.

**Mrs Limina:** I will support the Mental Health Act if it is changed, as I support the Mental Health Act as it is now. I have to. Those are the boundaries that are set out and I will continue to stay within the law of the Mental Health Act. If it changes, then I have to change too.

**Mr Gravelle:** Do you not think, though, as a community representative, that having some background even in health care would be useful, would make some sense in terms of a representative on this board? Obviously you feel you're going to do a good job. You're keen to do it. The concern I have is that there aren't that many positions that are available and it seems to me that to have somebody who would have a background in the health care field or at least have some relationship with that might be more suitable and more helpful in terms of the requirements of the board.

**Mrs Limina:** I don't think so. There is a lawyer, who certainly knows his position on the board and he has been appointed for his background and his experiences within this area. There is a psychiatrist, who certainly understands the situation and knows what he's speaking of. I am the community member. I cannot overstep their bounds. I will see something, maybe, that they may not see, by looking at that person and what they're saying and maybe an understanding, or there might have been something missed in a medical situation that I just pick up on or through discussion.



The patient's doctor will have presented a history. I see it as a member of a jury, so you have to have varied backgrounds. You have to be there to listen. A lawyer might be listening to, say, keeping everything within the legal parameters and a psychiatrist is certainly listening for the medical.

**Mr Gravelle:** Give me your thoughts on the Health Services Restructuring Commission. It has gone across the province and obviously made some decisions that have upset the health care system in this province in a pretty dramatic way. Obviously you have a friendship with the Premier. Have you talked to him about —

*Interjection.*

**Mr Gravelle:** You do not have a friendship with the Premier?

**Mrs Limina:** No, I don't have a friendship with him.

**Mr Gravelle:** I would be curious, and you've been a supporter, as to what your thoughts are in terms of the Health Services Restructuring Commission and the decline of health care in our province as a result of some of the decisions that have been made, any thoughts you have on that.

**Mrs Limina:** First of all, I would like to address the fact that I have never discussed the health care situation. You can't grow up in North Bay without looking at what is there in your community and therefore in your province and in your country. As a parent I am concerned but I have no thoughts otherwise. I deal with each situation as I receive it. I continue to do that. I'm channelled that way. I will look at an individual situation just like I look at an individual person and deal with that situation at the time.

On my relationship with Mr Harris, you can't grow up in North Bay and not know who he is. I'm much younger than he is, though, so I don't know him very well.

**Ms Mushinski:** Good morning. I'm interested in pursuing Mr Gravelle's line of questioning with respect to your credentials because I'm not sure that I necessarily agree with him. Because you're from the community and you represent the community and you're before us this morning as the community representative for the panel, I'd like to just expand a little bit on your background within the community.

It would seem to me that in looking at your community involvement, there are several areas where you have served as a board member that could quite readily fit into the jurisdiction of this particular panel. For example, it says you were a past board member of the North Bay Crisis Centre. Could you enlarge on that a little bit? I think that would certainly give you some insight into some of the challenges that Mr Gravelle mentioned and sensitivities with respect to the work that's required for this particular panel. Could you comment on that?

**Mrs Limina:** Certainly. I applied for a board position at the North Bay Crisis Centre, which is now involved with the Transition House in North Bay. While I was there for a three-year term I was involved with families in crisis. I also worked with the children of the families and found opportunities for them within the city and the school system of North Bay. I worked with young mothers more

than the fathers and I was able to establish a program where they got back to the community, felt self-worth through employment through just physical appearance, their own personal self-worth as well as their professional self-worth within a work environment.

I was also part of a team that purchased property for women in transition. We established a board, along with the city of North Bay, for the Transition House that aided women in crisis.

**Ms Mushinski:** So you've had fairly extensive experience in volunteering for your community. I take it that as a community member you would be able to contribute the lifelong learning that you have undertaken as a community representative.

**Mrs Limina:** I will continue to do that. I'm asked very often to sit on the IPRC hearings for children in the school system who need to be placed in other environments, whether through learning difficulties or they have to be moved due to — there are varied situations, without going into too much difficulty. I continue to be asked to sit as a community member and offer my suggestions or directions as to where we can see this child or young adult going. I have also worked with adults in crisis through my job with AIM and turned that situation around too.

I am not indifferent to learning so much more and I will quickly become involved in the Consent and Capacity Board in the same manner, with an open mind.

**Ms Mushinski:** Great. Those are my questions.

**The Vice-Chair:** I've got a few other questions. Mr Spina or Mr Saunderson?

**Mr Spina:** I'll defer to Mr Saunderson.

**Mr William Saunderson (Eglinton):** Mrs Limina, I first of all would like to commend you for being involved with the crisis centre. I have a daughter who's a doctor and she did work with a crisis centre. It was quite an insight into the mental health of the people in Ontario, I think.

I've been told that about a third of our cost of health care in Ontario is related to mental illness and all of its ramifications. I wonder if you'd like to comment about how you see that in your region. Is mental health a concern, as it is throughout the rest of the province, to the extent of the 30% or whatever?

**Mrs Limina:** Mental health is always a concern in every community. The city of North Bay, with a population of 56,000, is not a stranger to the needs of every individual and certainly those who are in trouble.

Throughout the province, funding for different programs has to be shared and I certainly want to see northern Ontario be part of the allotment or whatever. I am not as interested in that as maybe our city councillors and local members of Parliament might be. I am more interested in it as every individual who has a need getting the opportunity for attention in medicine, for their doctors or psychiatrists. We are very shy of medical doctors in North Bay, we are shy of psychiatrists in North Bay, but North Bay has to let them know this is a good place to be. It's not going to attract them because there are more cases; it's going to attract them because they want to be there

and therefore the citizens of North Bay will benefit. They will not be left. We have to work with each person as best we can with what we've got right now.

**Mr Saunderson:** But as the lay member of a tribunal you certainly seem to have the experience because of your community involvement. You know your community well.

**Mrs Limina:** I know my community very well. I'm very comfortable with my position in the community of North Bay and proud of it.

**Mr Saunderson:** Very good.

**The Vice-Chair:** There are no further questions. We thank you, Ms Limina, for coming and answering our questions.

**Mrs Limina:** Thank you very much.

**The Vice-Chair:** I think we're ready for the vote. Mr Gravelle, do you want to do the vote separately or can we do them together?

**Mr Gravelle:** Separately, please.

**The Vice-Chair:** All right. We'll start with Michael Hennessy. All in favour of the appointment?

**Mr Bill Grimmett (Muskoka-Georgian Bay):** I'll move that.

**The Vice-Chair:** Mr Grimmett moves the adoption of Michael Hennessy as one of the appointees. All in favour? Any opposed? None. That carries.

We'll move on to Jane Limina. Do we have a motion?

**Mr Grimmett:** I move concurrence.

**The Vice-Chair:** All in favour?

*Interjection.*

**The Vice-Chair:** I'm assuming if there was some discussion you would want — OK. Opposed? Mr Gravelle is opposed. That motion carries.

We thank you. This meeting is adjourned. We'd like to have a little subcommittee to determine the next meeting, if the other folks would remain behind.

*The committee adjourned at 1043.*





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Second Session, 36<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 30 September 1998

# Journal des débats (Hansard)

Mercredi 30 septembre 1998

**Standing committee on  
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Intended appointments

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 30 September 1998

Mercredi 30 septembre 1998

*The committee met at 0943 in room 228.*

## SUBCOMMITTEE REPORTS

**The Vice-Chair (Mr Rosario Marchese):** I call the meeting to order. I apologize to everybody here. I evidently had received a note yesterday saying the meeting started at 9:30. I didn't see that note so I assumed it was at 10 as usual.

Report of the subcommittee on committee business dated Thursday, August 20, 1998: I request a motion to adopt the report.

**Mr Derwyn Shea (High Park-Swansea):** So moved.

**The Vice-Chair:** Moved by Mr Shea. All in favour? Any opposed? That carries.

Report of the subcommittee on committee business dated Thursday, September 3, 1998.

**Mr Shea:** So moved.

**The Vice-Chair:** Moved by Mr Shea. All in favour? Opposed? That carries.

Report of the subcommittee on committee business dated Thursday, September 24, 1998.

**Mr Shea:** So moved.

**The Vice-Chair:** Moved by Mr Shea. All in favour? Opposed? That carries.

## INTENDED APPOINTMENTS

## ROBERT POWER

Review of intended appointment, selected by third party: Robert Power, intended appointee as chair, Ontario Trillium Foundation board of directors.

**The Vice-Chair:** We'll commence the half-hour reviews of the intended appointments as follows: Mr Robert Power, please. Mr Power, we normally give the opportunity to individuals to make some comments if they wish before we start the questions. If you have some comments, please do that. If not, we'll begin our questions.

**Mr Robert Power:** Perhaps a brief introduction to give you some sense of who I am and my background. Given that this is Trillium, perhaps a history of involvement with respect to the communities would be helpful. In the 1980s I was involved in corrections and drug and alcohol rehabilitation. I worked in a halfway house at the local community level for a number of years and had some

strong sense of what volunteerism and community could provide to a local municipality or community.

In the last decade or so I've been particularly involved in environmental matters and standards development. Nationally I've been involved in setting standards, working through a national stakeholder process. Internationally, as you may know — I understand my bio has been circulated — there is my role as the international convenor of ISO, the International Standards Organization. My job there is to facilitate a group of some 40 experts from around the world, in a neutral position, to develop standards.

That particular role and those types of roles I think are helpful for the role of chair. The interesting thing we have as the board of Trillium is 25 people from around the province of Ontario, each of which has their own particular perspective to bring to bear. The role of chair, in my mind, is somebody who can create a process that they can all buy into, find some sort of common vision and then work together consensually to achieve the objectives of the organization. There is excellent staff to carry these things out, but I always feel the role of the board is particularly important. Those are all my comments, sir.

**The Vice-Chair:** Okay, we'll begin with questions from government members.

**Mr Bill Grimmett (Muskoka-Georgian Bay):** Good morning, Mr Power.

**Mr Powers:** Good morning.

**Mr Grimmett:** I want to ask you about your work in the past. You mentioned that you worked in a halfway house. I didn't notice that in your biography. What kind of things did you do there?

**Mr Powers:** That was the John Howard Society, and the house that I was in in western Canada at the time specialized in violent offenders and individuals with drug and alcohol problems who had had great difficulty integrating with society. My job was to live in seven days a week, share a room within the house, one shower for 20 people, take care of these people, assist them with working with the community, find some sort of outreach for their particular issues and, hopefully, assist them to the next stage of social development. Sometimes, occasionally, some people had to go back to jail, others slipped back into alcohol abuse, but we were there to help them.

**Mr Grimmett:** The Trillium Foundation is undergoing some kind of change in terms of the responsibilities it's going to have. I wonder if you could comment on your



skills in dealing with the difficult task of making decisions on where public dollars are going to go into the not-for-profit and charitable sector.

**Mr Powers:** The great advantage we have here is that Trillium has a long established track record which is generally viewed as excellent and there is very good staff. They have been doing this type of work for some time at a rather smaller level. Their last granting was at \$17 million; they are moving now to \$100 million. I have a high level of confidence that the staff, even though they are going to have to grow rapidly, are going to be able to facilitate this process on the front lines. There is an objective selection criteria process that anybody seeking the funds has to go through. I expect that process is going to stay the same, maybe be ramped up. Really it's going to be a workload issue. With that much more in funds, I expect there is going to be a considerable amount of more applications and we're going to have to manage that.

**The Vice-Chair:** Other questions from the members?

**Mr Shea:** Do you have a sense of the areas the Trillium granting is addressing now, and areas you'd like to see it at least begin to reflect upon in terms of disposition of other funds?

**Mr Powers:** The history of Trillium has, to put it simplistically, I guess, been more focused on traditional community charitable needs. The new funding is going to enable the new Trillium to broaden out the type of perhaps, non-traditional areas of community support. For example a Don River clean-up group may not have qualified naturally because they might have viewed themselves as being environmental protection. We have some more flexibility to get into environmental protection, for example. That's an area I'm particularly interested in. What I see is being able to expand the traditional areas of charitable activities or community volunteerism and perhaps develop networks in these areas.

I'm particularly interested in how we can network communities from across the province. We had an excellent example a couple of weeks ago where we had some people from the north and some people from Hamilton and some people from Toronto. They each came at a social issue in a different way. If we have some way of getting these people to work together, to share their views, to share their infrastructure, I think we could do a great job there.

**Mr Shea:** Can you go farther on that networking? That's intriguing. Any further thoughts on how you can elaborate on that, how you can develop that across the province?

**Mr Power:** Yes, we're setting up a new Web site right now, which we intend to have a variety of self-help tools on. The big thing frankly is going to be staff. We're 20 now; I think we're going to have to go to about 60 to meet the demand. There's going to have to be a training program for staff very quickly. I think they are going to be the key people to help these groups in getting them up learning curves as to how they do what they want to do.

0950

**Mr Michael Gravelle (Port Arthur):** Mr Power, I certainly concur with your comments in regard to the staff at the Ontario Trillium Foundation. I've had the opportunity to actually get out there and meet with them. I think they've done a wonderful job in the past. But there's no question that the role of the Trillium Foundation is changing in a rather dramatic way, which is going to be incredibly impacted by the board itself, because the board is in a position to make the decisions.

One of the concerns that has been expressed is that it is an absolute turnover of the board. All previous members — there have been no reappointments of people who have a sense of the history of the Ontario Trillium Foundation, which is an important history in terms of the role it has played in the province. Could you comment on that? It seems strange to me, if not unwise, to simply have a complete turnover. It makes one have some concern that the board will not be as independent as one expects the Trillium Foundation to be, will not have that arm's-length relationship that everybody agrees is absolutely crucial, if people are being given the ground rules from the start in terms of the government's role, which of course has changed a number of times. That's a great concern that we've expressed. I'd like your comments on that.

**Mr Power:** Sure. On the issue of the board turnover, just to let you know, I'm the new kid on the block but there are a number of people who have been around on the board longer than I have by about a year and a half, so we lean heavily on those people in terms of the transition.

In terms of the new board structure, because of the expanded mandate, we have developed a whole new committee structure with a whole new focus anyway, so I think you're going to find that the people who have been around for a year and a half to two years are going to be taking a leadership role in assisting those new committees as to where we're going with it. So I have some confidence that as a board you're going to have some continuity.

The second aspect to that is that probably an organization like Trillium is bigger than any of us. Times come and change. The staff are excellent. They have an objective program; they have a high degree of credibility in the community; they have a high degree of credibility throughout the province. I have a high degree of comfort that you and I may come and go, but the people of Trillium, the staff who carry the lion's share of the work, will make sure it gets done and done well.

**Mr Gravelle:** I appreciate your confidence in that. The issue still is that you made reference to the fact that there's representation from all parts of the province. One part where there used to be representation on the board was northwestern Ontario, which no longer has a representative. That's a huge part of the province, with obviously a very strong impact. In fact, one of the casinos that's scheduled to open, whether one describes it as "charity" or not, is in Thunder Bay, potentially. Obviously we feel there should be a representative from northwestern



Ontario. Is that an issue that has been discussed by the board, or was that noted, that that's a loss?

**Mr Power:** It has, actually. There have been a couple of aspects of Ontario, if I may phrase it like that, which at the board we have had a preliminary discussion on. We haven't made a recommendation to anybody yet, but I can tell you we've clearly identified that and we'd be delighted to find somebody from northwestern Ontario. That might be part of my role that I can carry back to the minister I report to.

**Mr Gravelle:** So you would encourage that. I can tell you there would be no difficulty in finding a number of excellent representatives. It's important that all parts are represented. Certainly I pursued it with the minister as well, and will continue to do so.

The community council set-up which will be part of how the funds are distributed: Can you give us any insight into how those appointments will be made? That's my understanding of where the plan sits now, that there will be community councils involved in making decisions related to distribution of the funds.

**Mr Power:** My understanding is that there has been extensive consultation, particularly with the charities and the community groups throughout the province, as to what model they'd like to see. Out of that discussion across the province there has been a recommendation for some geographically based body to work at the local level. The details of that have not been worked out, to my knowledge. Personally I would support local individuals who have local knowledge of their communities having a role in providing or reviewing the funding applications that come through, but I can tell you quite honestly that we haven't got that pinned down yet.

**Mr Gravelle:** Do you think it's important that they not be patronage appointments? That's certainly one of the concerns all of us have about those community councils, if they end up being the arm by which you get recommendations. A concern we have is that if they are political appointments, that will destroy the crucial arm's-length relationship. Are you willing or able to comment on that?

**Mr Power:** I know where you're going. I guess that raises a question as to, are we concerned about patronage or are we concerned about qualifications? I have to deal with this all the time in my role as the independent facilitator at the international level. My committee there involves Germans, French, Japanese, South Africans, New Zealanders, industry, government and others, all of which have a different perspective and all of which have a bias. My job is to make sure that those people check their hats at the door, that they bring their professional capability to the table and that they do the best thing for the international community. That is my commitment here. We're always going to have to deal with patronage. It's a way of life. But if I can get people to check that bias at the door, then I'm content, as long as their qualifications are good.

**Mr Gravelle:** I very much appreciate your saying that because I think that's the greatest concern we have. The Trillium Foundation has a remarkable and very special reputation in terms of the work it has done in the past. We

are pretty skeptical about the process being able to be maintained the way things are set up now. I hope you can indeed be sure that happens. Otherwise I think the process could be sullied. That would be a great concern.

If I may move to another area, there have been a number of changes. We all know about the 44 sites; we know that it has moved now to four sites, four communities. One of them is in my community of Thunder Bay. There's a fair amount of controversy about this and a lot of concern. First of all, I don't think one can honestly say these are charity casinos. They're licensed under a very different aspect in order to let the government go forward, it seems, but they're not truly charity casinos.

One of the concerns that has been expressed in Thunder Bay, aside from the fact that there's great concern about the impact of gambling on our community, is that if you have a casino in your community, you don't have any particular extra benefit. The municipalities get 5% of the slots in terms of extra costs, but the actual charities themselves do not benefit in any particular way. So it's still quite a controversial issue. Do you think it's a fair argument that the communities that are potentially taking these sites should be able to get a larger benefit in terms of the take of the \$100 million that's committed?

**Mr Power:** I don't think I can help you there because Trillium isn't engaged in that debate, and I'm speaking here on behalf of Trillium. That involves a jurisdiction that Trillium simply has no role in. So we're neither here nor there. Our function is really to receive a cheque, for lack of a better expression, and we have an objective process to get funds out to the community through a variety of ways. We're not engaged in the charitable gaming debate at all. I don't think I can help you there.

**Mr Gravelle:** But the minister did indicate that the framework and the criteria for distributing revenues would be developed by the province, the charities and the Trillium Foundation, so there is a role you will be playing, it seems to me, based on what the minister has said publicly. You will be involved in that.

**Mr Power:** That may have been under the old regime. With the government having made an announcement to change its plans around charitable gaming, I expect that's going to change now too.

**Mr Gravelle:** It certainly is one concern that is expressed by the communities. Many of us do not believe these are charity casinos in any way at all, and the communities have some great concerns about them in terms of their other fundraising efforts. In fact, the Lakehead fundraising association has made a plea that if indeed Thunder Bay is to have a site, they want to have a much larger role in terms of the whole distribution of revenues and the whole handling of the operation. I don't know whether that will happen. These are concerns that to some degree impact on the Trillium Foundation, it seems to me.

**Mr Power:** I'm not confident they impact directly on us, but perhaps we might be able to assist others who have been affected negatively. If they have good programs in their communities, my bias, speaking as only one board member, would be that we would like to see that good



work continue, and it may well be that our funding is a legitimate source to turn to while they build up other funding sources. I see us actually being able to assist groups and individuals, but I don't have anything specific in mind. If they've got something good, I don't think any of us want to see it wash away. So we'll see how we can help them.

**Mr Gravelle:** Can I ask you why you agreed to be the chair at this particular time?

**Mr Power:** Certainly. There's no particular magic to it. My interest in coming on the board was probably because of my environmental background originally. The past chair had announced that he was going to step down, there was a new rollout plan for this fall within the organization to be prepared for the next funding year, and frankly there was the usual sort of process, people interested in various positions. A couple of people approached me and, "Look, I know you do this international facilitation stuff." — domestically I do it as well; I'm well-known in that area. "Would you be interested in assisting in getting this board up and running through this period of change?" I was quite content to do that.

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**The Vice-Chair:** One last question, Mr Gravelle.

**Mr Gravelle:** I just want to express on behalf of our caucus that we have great concerns about this whole process. The arm's-length relationship aspect is absolutely the crucial element here, and we have some concerns that this will not take place. I appreciate what you've said. As my colleague said earlier, good luck. Quite frankly, we don't believe that will be easy for you to do. But we do believe it's crucial, and we want to watch it closely. The Trillium Foundation does have a remarkable reputation in the province. We want this to be a process where it is indeed fair. We don't like the means by which we got here, and I still have some concerns about the end of the story, but we do wish you good luck and hope you're able to maintain that and hope you're successful in persuading the minister to have an appointment to the board from northwestern Ontario.

**Mr Power:** Thank you very much.

**The Vice-Chair:** Thank you, Mr Power. There are no more questions. We thank you this morning for coming and making the time.

#### RUSSELL BROWNE

Review of intended appointment, selected by official opposition party: Russell Browne, intended appointee as member, Alcohol and Gaming Commission of Ontario board of directors.

**The Vice-Chair:** The next intended appointee is Mr Russell Browne. Welcome, Mr Browne. You know the process now. If there are some comments you would like to make, please do that before we begin.

**Mr Russell Browne:** Good morning, Mr Chair and members of the committee. I would like to thank you for giving me the opportunity to appear before you to discuss

my proposed appointment to the board of directors of the Alcohol and Gaming Commission of Ontario.

I am a 38-year-old lawyer and a member in good standing with the Law Society of Upper Canada. My legal experience includes a wide range of litigation in the areas of civil, commercial, criminal, municipal, trust and estate and administrative law as a plaintiff and defence counsel and as a prosecutor. I am married to Joan, also a litigation lawyer and a classical musician, and we have two children.

My community involvement includes doing volunteer and pro bono legal work and fundraising for the Canadian Cancer Society, our local church and our children's school. I am very pleased to be considered to serve on what I feel is an important commission for this province, a commission that ensures the honesty and integrity of the people involved with gaming and liquor service and that safeguards the public interest.

In closing, I would like to thank you once again for giving me the opportunity to appear before you this morning. I look forward to discussing with you any questions or comments you may have regarding my proposed appointment.

**The Vice-Chair:** Thank you, Mr Browne. Liberal caucus members, Mr Bradley.

**Mr James J. Bradley (St Catharines):** My first question to you would be, did you read an ad in the newspaper for this or did somebody call you up and say, "Wouldn't it be nice to be on the commission"? How did it come about that you're sitting before us today for this appointment?

**Mr Browne:** Actually, I was contacted and asked if I would be interested in serving on the commission.

**Mr Bradley:** Who contacted you?

**Mr Browne:** The MPP for Halton Centre, Terence Young, had asked if I'd be interested. They are looking for a lawyer to complete their board of directors. I looked at it, looked at what the commission did, and felt it was a very important commission. Certainly gaming is a very recent issue; it's one that requires honesty and integrity in the people who are running the business, and it also requires regulation. The public interest is paramount both in that and also in the liquor licensing matters. It was very interesting to me that the two functions were combined in February of this year. I thought it was a great opportunity to get into public service.

**Mr Bradley:** What is your connection with Mr Young?

**Mr Browne:** Over the past couple of campaigns I have provided legal counsel to campaigns in Halton Centre, where I was residing at the time. I've now moved to south Oakville.

**Mr Bradley:** This was for the Conservative Party?

**Mr Browne:** Yes, sir. I would be there if they required some interpretation of, let's say, the Election Act, or if they had some problems with the Constitution or whatever, I'd provide some comment in that regard.



**Mr Bradley:** Do you believe your connection with the Conservative Party helped you to be appointed to this position by the government?

**Mr Browne:** Initially, for me to be made aware of the opportunity, but once that happened, the rest of getting to this stage was certainly on my own merits. I was subject to quite an extensive Ontario Provincial Police investigation, which took approximately five weeks and occupied a great deal of my time in that regard. I also feel I have the experience and qualities the commission is looking for. I felt at that point that my application would stand on its own merits, and I'm very happy that cabinet has decided to bring me here today. I'm looking forward to, hopefully, your concurrence on the appointment.

**Mr Bradley:** May I assume that you would reject any attempts by the cabinet or anyone else to influence your decision-making on this particular commission?

**Mr Browne:** I would maintain being completely non-partisan in carrying out my role as a member of the board of directors, and I would certainly make that pledge to you today.

**Mr Bradley:** It is my submission — and it's not shared by everybody in the world, I'm sure of that, but I suspect it's shared by a lot of Conservative backbenchers as well — that gambling is just out of control in North America, right across this country certainly. There are some people who disagree with that, but it appears to be just out of control, and governments of all political stripes have a huge appetite for gambling revenues.

Do you think that the horse racing industry — I'm talking about the horse racing industry now itself — is really going to be enhanced by having video lottery terminals in the racetracks?

**Mr Browne:** As far as that very particular issue is concerned, I would have to get more information regarding that. From my own personal perspective, I'm not involved with attending horse races or the pros and cons of putting that type of a gaming operation into that institution. I would certainly look into it if I am appointed, and perhaps at that time I might be able to get more information on the pros and cons of that type of proposal.

**Mr Bradley:** Are you aware of a number of studies that are available now to all governments, which continue to expand gambling opportunities despite them? Are you aware of a variety of studies? Have you availed yourself of a variety of studies of the impact on the general population of expanding gambling opportunities? There are two examples I think of. There's one out that says young people are addicted. Did I not hear in the news today, Derwyn, there was one out about seniors? I heard that on the radio today. Have you availed yourself of those reports before you go into this position so that when you're asked to make any decisions you'll be aware of the very significant impact of gambling on the social fabric of the province or the country?

**Mr Browne:** I certainly have the impression that there is a down side to making available gambling activities in any jurisdiction. It is something that's being done in many jurisdictions in order to try to safeguard the public and to

somehow give the people who enjoy this type of activity a safe haven to engage in this type of entertainment. The board is in place to ensure the integrity and the honesty of the people involved in running the casinos and regulating on a regular basis the activities involved in that respect.

But as far as that component of offering this type of service to the public, it's a serious one. Through the past few months of getting a little more used to the Alcohol and Gaming Commission of Ontario and its function — on the board of directors, we have a psychologist who has expertise in the area of addiction. I think that's something the board has to keep aware of. When you see a percentage of the people who attend the gaming institutions having a problem and yet contributing a larger portion of the gaming revenues, there certainly is a problem. My understanding is that both the government and the board look into that and take that into account.

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**Mr Bradley:** I recognize that it is the responsibility of the elected officials, and in reality that amounts to the cabinet, and maybe even people who advise the cabinet and aren't elected who make decisions, and I recognize they must make the policy. That's understood. Do you feel that as a representative on this commission you should try to influence the government's decisions, only in the sense of providing information as to what would be happening out there, what you see happening, what the problems are, so that when they make those decisions they'll be in a better position to do so? Do you feel you should take the initiative in doing that or only do so when the minister asks you?

**Mr Browne:** I know the governance role of the board of directors is one that would advise as to guidelines in the exercise of any authority that the board or the commission may have. In that function of providing guidelines, I would certainly think that if there is something that is a concern that we see in our role as adjudicator or perhaps in conducting public interest hearings and that sort of thing, if we do perceive a problem, then it's incumbent to notify the government through the chair and make sure that at least the problem is pinpointed and the government can then take the required course of action as they see fit.

**Mr Bradley:** I understand this is my last question. If your opinion were sought by the news media, keeping in mind that you're a member of a commission — because you're going to be appointed, I can assure you of that. There are enough members here on the government side to always ensure that their appointments go through, so that's understood. That's why I say it in that context. If you were approached by a member of the news media and asked to give comment — you're not a civil servant in this case; I expect civil servants don't necessarily give comments — as a member of a commission, would you feel free to offer your opinions and comments to members of the news media if those were sought, even if those opinions were contrary to perhaps the prevailing opinion of the government?

**Mr Browne:** I would have to restrict my interaction with the media to cases of which I have knowledge. If they



would like to ask me a specific question on a hearing that I may have been involved in, then I certainly think it's incumbent, if I haven't made it clear in a written decision, to discuss that with them if there is something they wish to discuss in that sense.

In the broader issues, I think I have to be careful and I have to also realize that I am a member of the board of directors and that there is a vice-chair and a chairman and also a minister who will be responsible for my comments, and I think they have to be carefully considered before I make a statement off the cuff if I'm approached in a hallway by a member of the press, for example.

**Mr Tony Silipo (Dovercourt):** Mr Browne, good morning. I take it from the exchange you had with Mr Bradley that you're someone who has been supportive or is supportive of the Conservative Party. Can I ask you if you're a member of the Conservative Party?

**Mr Browne:** No, not at this time. I believe I may have, as a result of voting, joined at one time. I don't believe I'm a current member.

**Mr Silipo:** Are you a member of any other political party?

**Mr Browne:** No, I'm not.

**Mr Silipo:** I don't know if that question has fallen out of use. I haven't been in this committee for a while, but people will know I used to ask all the time.

**Mr Bradley:** First question I always ask.

**Mr Silipo:** I'm surprised it hasn't been asked yet. So don't feel singled out, Mr Browne.

**Mr Browne:** No.

**Mr Shea:** Are you a member of —

**Mr Silipo:** Mr Shea, did you want clarification of that?

**The Vice-Chair:** Carry on.

**Mr Silipo:** I just wanted to ask you about one area, because Mr Bradley has covered the other area very well, coming back to the other part of your function, which is around dealing with applications for liquor licences. I raise this because in my own riding it has been a concern for some time; that is, the number of licensed establishments, which in and of themselves are not a problem. But when connected with other issues such as drug peddling and selling, it becomes in perception, and I think in reality, a problem, particularly in one area of the riding I represent and I know in other parts of the province as well as here in Toronto.

I want to hear your approach, assuming you're a little bit familiar with the process you would need to follow, in terms of dealing with those kinds of concerns if you were dealing with an application for a liquor licence in an area where there are already many licensed establishments, your approach in dealing with that concern that would be raised through a public meeting, let's say, that you would be calling under the provisions you would have to follow.

**Mr Browne:** Just so I understand the hypothetical, there is a business that has applied for a liquor licence, there has been notification and there's a public interest hearing which I am a part of, and part of the public's concern is that there are too many licensed establishments in a particular area?

**Mr Silipo:** Yes.

**Mr Browne:** How would I deal with that particular concern? Again, it would have to be weighed against the interests of the business establishment. You have to take into account if this particular establishment is going to make a go of it in that particular community. I think that particular analysis probably wouldn't enter into a public interest hearing, the financial stability of the particular applicant, so probably that wouldn't be an issue I would deal with.

I would have to weigh the witness's evidence as far as arguments of an individual witness, and also the number of witnesses who are coming forward with the same concern. At that point, I would make an assessment as to the validity of the concern of the public and see if that would supersede the interests of the business establishment in getting a licence. That would be my understanding of a public interest hearing. Then I would provide a written opinion in due course.

**Mr Silipo:** All right. Thank you.

**Mr R. Gary Stewart (Peterborough):** I have just a couple of questions. Would you agree with me that gambling in Ontario or in Canada has been around for a long time?

**Mr Browne:** From my own personal knowledge, I wouldn't be able to tell you. All I know is that casinos were in Vegas and Atlantic City, and my understanding is that people had to go there to do any legal gambling, so to speak. Other than that, I'm not really that acquainted.

**Mr Stewart:** I'm not necessarily just talking about casinos. I'm a little older than you, probably a whole lot older than you, and of course I remember back in the days of the Irish Sweepstakes tickets that were sold quite regularly across this province, bingos that go on in churches and so on and so forth, break-open tickets etc.

Your appointment to the commission, or indeed pending appointment to the commission — I keep hearing these things that gambling seems to be just new here within the last couple of years. I don't believe that, and I believe that's why the commission — I mean, we're looking at appointing a commission to deal with something that has been around for a long time. Why would we not, then, deal with it to make sure the standards are there, the qualifications are there, everything is done legally? Is that not what this commission is all about?

**Mr Browne:** I certainly agree with you, sir. The whole drive behind the commission, I agree, was that there was much illegal gambling going on and that it was not done by people with honesty and integrity. The public was not being properly served. The elements of crime certainly infested that type of atmosphere. To bring legalized gambling to the people who want to legitimately have that as an entertainment form I think was very important, and that's why the role of the commission. To ensure that this form of legalized gambling doesn't fall into the old standards of illegal gambling is paramount.

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**Mr Stewart:** I guess that's what I was trying to suggest, that gambling has been in this country for many,



many years and that has necessitated commissions such as the one you're being considered for to make sure that all the guidelines and everything are there.

One of the things I want to clarify — and I stand to be corrected — is that slots are going into the racetracks, not VLTs. Certainly the racing industry is extremely pleased with the possibility of enhancing that industry that is gambling. It's kind of amazing, isn't it? Horse racing has been around for a long time. I guess it goes back to one thing, and that's self-control and self-responsibility on behalf of the people. I was thinking the other day that there are a lot of people addicted to food, a lot of them addicted to alcohol, a lot of them addicted to drugs, a lot of them addicted to a lot of things. That will happen, but I believe it's the responsibility of each individual to try and decide which way they want to go on this thing.

I think it could be part of your position on the commission to try and make sure that those safeguards are in place, because it's going to be there, whether we have additional casinos or additional bingo halls or additional break-open tickets or whatever. I wish you luck.

**Mr Joseph Spina (Brampton North):** Mr Browne, thank you and welcome this morning. I appreciate your interest in pursuing this appointment.

You've finished Windsor, so I'm presuming here that you graduated probably under Dean Ron Ianni.

**Mr Browne:** That's correct.

**Mr Spina:** You were under probably one of the best lawyers who could have deaned law school in this province. As an alumnus, I also have a little bias in that.

I want to switch to the alcohol side of this, the Liquor Licence Act enforcement side of it. I've had constituents who are local bar owners and restaurateurs, with for the most part very good records in compliance, complain to me about the vigilante, arrogant type of attitude of the liquor licensing inspector. I guess what I'm asking for is your opinion on what the role should be of the liquor licensing individual, the individual who works for the board that inspects the restaurants.

**Mr Browne:** As I mentioned earlier, one of the functions of the board is in the area of governance, and certainly we can make recommendations with regard to the exercise of any authority under the acts. If we were able to look into that situation — I have no personal knowledge at this point of the abuse or non-abuse of liquor inspectors. However, taking it as a hypothetical situation, if those facts are presented and there's some indication that a guidance policy of some sort should be instituted with regard to that exercise of authority, then I imagine the board would act in that regard.

As far as the day-to-day operations are concerned, there is an enormous staff under the CEO and registrar of the commission. I understand there are some 90 seconded OPP officers and there are hundreds of staff involved in day-to-day operations. It's a massive task, and as far as a member of the board is concerned, to get into that type of situation I think it would have to be brought to our attention after some type of investigation had been done on the administrative side. If we start getting into that at that

particular stage, I think that takes away from the board's ability to concentrate on hearings and public interest hearings and adjudication and some of the functions where I would probably have more expertise. The day-to-day operations of the commission I think would have to be investigated by the people who are either supervising these individuals or some other branches of the administrative side.

**Mr Spina:** You feel it should be limited to fundamental compliance policy, then, in terms of the board?

**Mr Browne:** I'm sorry?

**Mr Spina:** Compliance policy, or just reacting to the issues when they reach the commission level?

**Mr Browne:** I would have to get into the function of staff and board and the relationship between them. When you get into a new position, such as I hopefully will be in, you have to figure out who does what and not step on any toes. Down the line, when there is something that is my function and I want some assistance from staff, I don't want to appear to have stepped over my boundaries as a board member. I'm not that familiar with it.

**Mr Spina:** Yes. It's knowing your authority. I wish you well.

**The Vice-Chair:** We've run out of time. Mr Browne, thank you very much for coming and answering our questions.

#### S. ALLAN MAGNACCA

Review of intended appointment, selected by official opposition party: S. Allan Magnacca, intended appointee as member, Regional Municipality of Niagara Police Services Board.

**The Vice-Chair:** We call Mr Allan Magnacca. Mr Magnacca, you're so lucky to have an Italian Canadian Chair who can pronounce your name correctly. Welcome. If you have some comments you want to make, please do that before questions begin.

**Mr S. Allan Magnacca:** Good morning, gentlemen. Thank you for the opportunity of coming this morning. I respect the opportunity to appear before the committee to present my qualifications and respond to any questions and comments.

I believe I'm qualified to sit on the Niagara police services board. During my business experience I've had the opportunity to live and work in many different communities, including Manitoba, Calgary, Edmonton and Scarborough, and for the past 16 years in Niagara. During that time, my wife and I raised three children, who also experienced the life and living in these various communities in growing up.

My background is both a business owner and a senior officer of a major corporation. I've had a great deal of experience in budgets and human resources, people and asset management. During my career I've also spent 30 years as a member of the military reserves. This included service in the ranks, as well as a senior officer. I have commanded battery and regimental positions within the military reserves. Prior to my request to go on supple-



mental reserve, I was also, for two years, the senior staff officer for operations in training for all militia in Ontario. This required liaison with a number of police forces across Ontario for various purposes during that time.

I have been a volunteer in both my community and my business-related activities and associations, including terms on the economic development committee in Niagara Falls. I attempt to balance my business and community commitments, and I'm just completing an extended term as a warden of my church in Niagara. I therefore have the time and I certainly have the sincere interest to be a responsible member of the Niagara police services board. I feel I can make a valuable contribution if my appointment is confirmed and would look forward to serving my community and the region on the police board.

1030

**The Vice-Chair:** Thank you. We'll begin questions with Mr Silipo.

**Mr Silipo:** Mr Magnacca, good morning. Let me start with the question that I also asked Mr Browne — I think you were in the room — and which, as I said, I like to ask everyone who comes before us: Are you a member of any political party?

**Mr Magnacca:** Yes, I am.

**Mr Silipo:** Which party would that be?

**Mr Magnacca:** The Progressive Conservative Party.

**Mr Silipo:** I'd just say in passing that your being a member of the Conservative Party is not a factor, as far as I'm concerned, in whether or not I will vote for your appointment. Looking at what you said and your qualifications in terms of the background you bring, you have a varied experience, and I think that's quite valuable.

I'd like to talk a little bit about some of the issues you'll be dealing with as a member of the police services board. I'm assuming that you've seen the material we've been provided with as well.

**Mr Magnacca:** I believe so.

**Mr Silipo:** So you have a sense of some of the issues. I want to start with the one that deals with the rate of crime in the Niagara region, your sense of it going into this position and your approach to how serious a problem you would be dealing with.

**Mr Magnacca:** In looking at the statistics that were available, it's very difficult to take a comparison of one year versus another in a short time frame — I think it was January to April — and express a strong opinion on what did that. In terms of the Niagara region, some things like robberies and break-ins and these sorts of things were down. I think a lot of that has to do with the community policing that is going on and has been for several years in the Niagara region. I think that has some influence, but specifically, I don't have any other background on those numbers.

**Mr Silipo:** The whole issue of how one deals with that — and one issue I have no doubt you will be dealing with, as all police services boards are dealing with, is how you respond in terms of the number of officers you're able to put on the streets and various other things you do. I'd like to hear your sense of where your priorities lie in terms of

how you approach policing, given the range of choices you will have — maybe not that many. Where do you put the emphasis in terms of what makes for good policing and what makes for good crime prevention, to the extent that we can do that?

**Mr Magnacca:** As a taxpayer and as a member of the community, I know it's very important to be as efficient as possible with both the human resources and the financial resources. It's a balance, a little give and take in terms of what they are. I certainly think issues such as community policing have been very important and very effective. In terms of the Niagara region specifically, there is always going to be an issue of the chief wanting to have more manpower because the taxpayers want more services or want the police to be responsible for more things. So it's a balance. If I am appointed to the police services board, I can use my experience to help understand those issues and respond to them.

**Mr Silipo:** The question of budget is of course one of the things that will come to bear on that. One of the things I'm assuming you will be involved in, in an ongoing way, is this whole issue of putting the argument to the regional municipality around the need for money to be provided. Do you see that there is going to be a bigger problem or less of a problem in the next year or so? Municipalities are now saddled with a larger proportion, having to balance more costs on the property tax base and to put within that mix the police budgets. Where do you see your role in terms of the priorities and urging the municipalities to put the priority on police services versus other services they need to provide?

**Mr Magnacca:** I think part of that is through the process of the budget and determining and listening to the needs of the chief and the board as to what the requirements are. Where the funding comes from, whether it's strictly the region or it's the provincial government or a combination of both, the budget is the budget. You can only work with the financial resources that are available. Again, in preparing budgets and going through that process, there has to be a balance and one has to be aware of the limits on those resources, whether it's through taxes or whether it's through straight provincial funding.

**Mr Silipo:** You may be aware that just this past summer the current Solicitor General, Mr Runciman, said to the media that he was in favour of reinstating capital punishment, at least for certain offenders — for murderers of police officers and perhaps for others whose crimes were particularly vicious. I'd like to hear if you have a position on the issue of capital punishment.

**Mr Magnacca:** It's a very sensitive and debatable topic. Personally, I have been on both sides of the issue over a number of years. I am very concerned about the protection of our police officers and that there should be punishment for the crimes committed against police officers. The ultimate death penalty — I'm swayed towards the position that it should be an option for the courts in dealing with the death or murder of police officers. I think it should be there as an alternative in terms of sentencing.



**Mr Silipo:** An alternative to be determined by the jury or the judge?

**Mr Magnacca:** Yes.

**Mr Silipo:** How do you see your position on that fit within the role you will be serving out as a member of the police services board? In other words, is it part of your job in that capacity to promote the point of view you have, or do you see it as something aside from the job you're being asked to do?

**Mr Magnacca:** Actually, I think it's something aside from the job. As I said, I think capital punishment is a very controversial, very debatable and very emotional topic. You really have to reflect on the position you take on that issue. As I said, I have a strong concern for the lives of police officers. They are our front line against crime and they are in a vulnerable position. I think we need to consider all the alternatives that make criminals aware of what the alternative punishment could be in the eyes of the court. As I said, it should be an option.

**Mr Grimmer:** Welcome, Mr Magnacca. I wonder if you might comment on how a person like yourself on a police services board, who certainly brings a varied background and a strong business background, might develop policies on that board that would assist the police force in getting more public support. From my own contact with people who are police officers, they tell me that investigation and solving a crime are usually directly proportional to how much help they get from members of the community. You mentioned community policing. Do you have any other thoughts on how the Niagara force might be able to get more assistance from the public in dealing with crime?

1040

**Mr Magnacca:** Certainly I think community policing, which I used as an example, has been helpful. The visibility of the police in the communities, the visibility of police in as many various opportunities as possible, in the schools, in the college in our area, in the Niagara College, and the public view and the opportunity for police to talk about what the community can do to assist them in carrying out their responsibilities.

As taxpayers and as residents of the community or the region, we have an obligation to make sure we do everything possible to assist the police force in carrying out their responsibilities — I think more visibility, more involvement with youth. Our area, like every other region, maybe more so, is changing because of the mix in the area and the growth. I think the police need to be very visible to the youth and to the community in general.

**Mr Shea:** Allan, it's a great pleasure to see you here this morning. You have an impressive curriculum vitae. What many will not know is that you have an equally impressive one in terms of the church. It's in that capacity that you and I have met in the past year. I appreciate having you here today, particularly someone of your calibre offering yourself to serve on a very important agency in our community.

I'd like to ask you a question and I know it will scrape the bone. It is a difficult one and you would only be able

to answer it as a member of your community, with no other particular experience. I want to pick up on the question of the Bernardo case. In my former life I've been a police commissioner and I understand the way police forces work and so forth. I have a real concern about interforce co-operation and I use that as a particular case in point.

You may not have been in the country at the time or you may not have been following it very closely, but because of your geographic location, you may have some comments to offer on what appeared to be serious interforce rivalry or confusion or misunderstanding of information flow and so forth. As a member of what is now a police services board, you would obviously be expected to make some kinds of comments in that regard, at least if it happened under your watch. Do you have any comments to offer about what you see happened during that period?

**Mr Magnacca:** I think it became quite evident, and maybe more so to us in the Niagara region, that — maybe "rivalry" isn't the correct word; I think a lack of communication, a lack of means to communicate. If those things were in place, the readily available information on investigations in other jurisdictions, a data source to be able to find that information quickly, the exchange of that information and more teamwork would have gone a long way to having that particular case solved more quickly.

**Mr Shea:** Can I take from your answer then that as a member of the board, it would be your expectation to hold your employee, the chief, to accountability for not only communications within the force but between forces?

**Mr Magnacca:** Absolutely.

**Mr Shea:** In that end, can I just lead into one other question that is of significant issue for me? Do you have a sense of how you set quality control standards for policing in your community?

**Mr Magnacca:** Only from the point that the chief is the one who needs to bring forth his or her objectives and goals for the force and allow the services board to review and debate and discuss those, and then to ensure, once those are accepted and in place, that the mandate is to carry them out.

**Mr Alex Cullen (Ottawa West):** Welcome, Mr Magnacca. My first question to you is, how do you come by this appointment?

**Mr Magnacca:** I put my name forward several years ago as having an interest in volunteer boards or commissions. I felt my experience and background would be of value and that it could be balanced between my business life and personal life.

**Mr Cullen:** Sure, and who did you put your name forward to?

**Mr Magnacca:** I put it through to the government at the time.

**Mr Cullen:** Which government at the time?

**Mr Magnacca:** It was 1996 or 1997.

**Mr Cullen:** So it's this government. Who called you?

**Mr Magnacca:** Actually, I had a call from our local member asking if I had a continuing interest and did I



think I had the experience to serve on this particular thing if my name went forward.

**Mr Cullen:** Who is your local member?

**Mr Magnacca:** Tom Froese, St Catharines-Brock.

**Mr Cullen:** What's your connection with Mr Froese? Do you have a connection with Mr Froese?

**Mr Magnacca:** I have known him for a number of years prior to his being an MPP. He lived in the community — a local bank manager.

**Mr Cullen:** Have you attended a police services board meeting?

**Mr Magnacca:** No, I haven't.

**Mr Cullen:** Reading from the background material here — I've listened with some interest to your comments about budgets — according to the information provided to us, the Niagara police service is understaffed by about 46 officers, or will be this fall. It's actually 51 at the moment but it'll fall to 46. I'm aware, because I was a member of regional council in Ottawa-Carleton, that in the last cycle as part of the downloading exercise the grants to police have been cut out. In Ottawa-Carleton we lost \$8 million, and I think that in Niagara it would be about \$5 million or \$6 million.

Do you think that being 46 officers below the authorized strength of 592 there's enough policing going on in Niagara?

**Mr Magnacca:** That's a hard one for me to answer at this stage. I don't know why they are under the allotment or whatever the manpower budget is, whether it's because of suitable candidates coming out of the police college, is strictly related to budget —

**Mr Cullen:** It is budget. It's budget, because they require property tax dollars and they have to submit their budget to council for approval, and the council has a take-it-or-leave-it situation. But my question to you is: Here you are representing the community in dealing with the provision of policing in Niagara. Are there sufficient resources for policing in Niagara?

**Mr Magnacca:** Again, I'm not trying to be evasive on that but I'm not too sure how the chief is allocating his police resources. I know in Niagara-on-the-Lake, as an example, because of community policing there's a good profile of the police. We have a bicycle group as well as vehicles. Niagara region has taken over some of the highways in our area which have to be policed by Niagara Regional Police.

**Mr Cullen:** At additional cost.

**Mr Magnacca:** We see those vehicles out there. How that applies to the rest of the region — is there satisfaction or is there not with the policing in some of those other communities — I haven't been there.

**Mr Cullen:** But you're a member of the community and you know that regional council, in setting the budget or approving or rejecting the budget for the police services commission, must weigh these things off with the demands for additional responsibilities that have been offloaded by the province with the ability of taxpayers to pay for it. Are you going to be sensitive to those pressures at regional council? There is an independent role here for police serv-

ices boards. I've been part of a council that has actually rejected a police budget and the police services board was smart enough to go back and recast it as opposed to going to arbitration, because the police are supposed to be accountable to the taxpayer. What are your views on this?

**Mr Magnacca:** The police services commission, in developing a budget to present to regional council, have to believe what they are asking for, and in discussions with the chief on the resources needed have to first of all justify it at that stage, taking it forward, and have to do whatever they can to try to win the support of their regional council to support that budget. So there's give and take in it, as you know from your experience.

1050

**Mr Cullen:** Yes, it's very political.

One of the tasks you will have on the police services board, and I've seen agendas, certainly at mine, where you will be reviewing complaints that are filed with the police chief with respect to conduct of his force members. Originally, all of these complaints would have been vetted by the police complaints commissioner to ensure that they have been properly investigated while they're being reported to the board. That's now been eliminated and it's now before the board to determine whether there should be subsequent action, given the police chief's resolution of the complaint.

Do you think you're going to have time to deal with the 50 or 60 or so complaints that come forward every month at your police services board?

**Mr Magnacca:** I don't know the number of complaints that come forward from the —

**Mr Cullen:** It will be in that number.

**Mr Magnacca:** The board's responsibility is to review those complaints and make sure that the chief is handling them properly. So, whatever time is required, the police services board should be prepared to make sure they thoroughly review them.

**Mr Cullen:** We've recently had the situation — I just read the regulation in the Ontario Gazette — where 12-year-olds are being given the ability to bear arms. Yes, they have to pass a hunting course but once they have passed that hunting course they can carry a rifle and use a rifle. We've had that awful situation in the United States where we had a schoolyard assassination by two boys of half a dozen teachers and fellow students. What do you think the police services board ought to be saying to the government about 12-year-olds and arms?

**Mr Magnacca:** About?

**Mr Cullen:** About 12-year-olds carrying arms.

**Mr Shea:** The federal government shouldn't have done it.

**Mr Cullen:** I'm sorry. It's in the Ontario Gazette. It's your regulation. It was just —

*Interjections.*

**Mr Shea:** It's also —

**Mr Cullen:** Never mind "also." I'm asking a question of the witness.

**The Vice-Chair:** Mr Shea.

**Mr Shea:** I just want to correct —



**Mr Cullen:** Mr Chairman, I've asked a question of the witness. I'm not interested in Mr Shea's opinion. I'm interested in the witness's opinion.

*Interjection.*

**The Vice-Chair:** Mr Shea, if you don't mind.

**Mr Magnacca:** I have concerns about gun control. I'm a hunter. I've held the permit. I had an acquisition permit when I was younger out in western Canada in the Prairies, where ducks and geese and so on are plentiful and are probably the best ones available. I've done my share of hunting. I learned at a very early age about care and custody and control from my father, certainly not at 12 years of age, and wouldn't have expected at 12 years of age to have had the care and custody of a firearm. Certainly, at a later age, properly trained and properly schooled in the use of firearms, I think it's appropriate.

**The Vice-Chair:** One last question.

**Mr Cullen:** The police have been among the strongest proponents of gun control and you are there on a police commission representing the community and presumably will be speaking for the community on these matters. Do you think that your police services commission in Niagara will have an opinion to represent the community on, on this particular issue of whether 12-year-olds should be able to bear arms?

**Mr Magnacca:** I don't know whether it will be on their agenda or not.

**Mr Cullen:** Would you not be interested? I mean, if your community is interested in this, do you not think there is a role to play?

**Mr Magnacca:** I think taxpayers, individual citizens, are interested in this issue and will make their opinions known to the parties of the day as to what their feelings are.

**The Vice-Chair:** Thank you, Mr Magnacca, for coming and answering our questions.

We are ready now to move on a motion for concurrence on these intended appointments. Do we have a motion, starting with Mr Robert Power?

**Mr Grimmett:** I move concurrence.

**The Vice-Chair:** All in favour of the appointment? Any opposed? That carries.

Moving on to Mr Russell Browne, any motion?

**Mr Grimmett:** I move concurrence.

**The Vice-Chair:** Any discussion? All in favour? Any opposed? That carries.

Moving on to Mr Magnacca, a motion?

**Mr Grimmett:** I move concurrence.

**The Vice-Chair:** Any discussion?

**Mr Cullen:** We touched on lightly here — and I know it will provoke some remarks on the other side, but quite frankly, in the urban areas most municipalities have laws against the discharge of firearms within their boundaries.

Certainly that's so in Toronto and in Ottawa and, I have to say, in most urban municipalities.

The issue about letting 12-year-olds bear arms: Yes, I understand that they have to have parental permission. Yes, I understand that they have to pass a gun course. No one therefore monitors afterwards what happens with these kids when they have their guns. That horrible example in the United States where the kids — I mean, they were qualified. I don't know what the story is in terms of how they got their guns but apparently it was legal. But it was well after the fact, after the supposed constraints and restraints, that they took it into their heads that something had to happen.

With all that we see on television, how can we let this go forward? My concern is that here we have a situation where in the urban areas people don't like this, they really don't like this. We're going to be hearing from a lot of police service commissions about this. The government may say on the other side that their hands are tied. I'm sorry. They did not have to pass the regulation. It's in the Ontario Gazette, printed in black and white, and it did not have to be passed.

I think this is a red flag issue. I know in my community out in the rural area, where urbanites have moved out for quality of life, they're already unhappy with trespassers crossing their lands hunting for deer or geese or whatever. But imagine 12-year-olds and trying to tell a 12-year-old to get off your land when he or she has the gun; mostly he. It's a very dangerous situation. This is a door that ought not to have been opened.

**Mr Spina:** I respect the fact that Mr Cullen might have opinions; however, I think they are way off topic with respect to the appointment of Mr Magnacca, who I think is excellently qualified to take the role on the commission.

He conveniently forgets that C-67 and C-68, federal Liberal bills, were the ones that set the standards in this country — not just this province, in this country. The reality is that provinces like British Columbia in fact have it at the age of 10 and not at the age of 12. All we did was put the restrictions and the controls on something that was already there in order to ensure the safety of the public and the educational component of handling weapons by younger people.

**The Vice-Chair:** Any other discussion on this matter? Seeing none, all in favour of the appointment?

**Mr Cullen:** Recorded, Mr Chair.

**Ayes**

Grimmett, Bert Johnson, Shea, Silipo, Spina, Stewart.

**The Vice-Chair:** Against? The vote carries.

There is no other business. This meeting is adjourned. Thank you.

*The committee adjourned at 1059.*







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Second Session, 36<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 21 October 1998  
Wednesday 28 October 1998  
Wednesday 4 November 1998

**Standing committee on  
government agencies**

Intended appointments

# Journal des débats (Hansard)

Mercredi 21 octobre 1998  
Mercredi 28 octobre 1998  
Mercredi 4 novembre 1998

**Comité permanent des  
organismes gouvernementaux**

Nominations prévues



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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 21 October 1998

Mercredi 21 octobre 1998

*The committee met at 0902 in room 228.*

## SUBCOMMITTEE REPORTS

**The Chair (Ms Frances Lankin):** I call the meeting to order. The first item on the agenda is the report of the subcommittee on business, dated October 8, 1998. Members will have copies of that before them. This is the selection of intended appointments for committee review. In fact, most of them have been scheduled for today, so it is necessary to deal with this committee minute today so that we can proceed. Is there any discussion or debate?

Seeing none, all those in favour, please indicate. Those opposed? Carried.

We can move directly to the interviews of intended appointments. I'm sorry, there is a second subcommittee report, dated October 15, which indicates that there are essentially no selections from the certificate dated October 9. Is there any debate on that committee report? Mr Grimm, would you move this subcommittee report?

**Mr Bill Grimm (Muskoka-Georgian Bay):** So moved.

**The Chair:** Any debate? None? All those in favour, please indicate. Those opposed? That's carried.

## INTENDED APPOINTMENTS

## RUTH GALLOP

Review of intended appointment, selected by official opposition party: Ruth Gallop, intended appointee as member, Health Services Restructuring Commission.

**The Chair:** Now we may move forward. Our first intended appointee for review is Dr Ruth Gallop. If you have any opening comments that you would like to make, please feel free to do so and then we will be moving through the parties in rotation, beginning with the government members, who might have a few questions for you.

**Dr Ruth Gallop:** Maybe I can make a brief statement to introduce myself. I'm currently a professor and associate dean at the faculty of nursing of the University of Toronto. I have a cross-appointment to the department of psychiatry in the faculty of medicine as a professor, and I'm a researcher in the division of society, women and health at Women's College Hospital, in the addiction and mental health centre.

My professional career has involved many years working clinically in the mental health system, and for the past 15 years I've worked as a researcher, a clinician, a consultant and educator, primarily in mental health. My focus has been on the client-clinician interface, focusing on how to improve the clinical services for clients often perceived as difficult in the system. I have also been a member of the Psychiatric Patient Advocate Office advisory board since its inception and have served in the past as its chair.

I'm pleased to be considered for an appointment to the Health Services Restructuring Commission. I'm extremely interested in the task of phase 2 as I understand it at this point; that is, the development of an integrated health system. Furthermore, I am delighted that a nursing professional is being considered for appointment. Nurses are significant members of the health care system. They have been profoundly affected by changes in health care, and I believe that the nursing profession can play an important role in an integrated system.

**Mr Grimm:** Welcome to the committee, Doctor. Going through your very lengthy resumé I was most impressed — in fact, I was shocked at the number of articles you've written in your career. From reading that, a question came to me as to how much actual interaction you've had with front-line nurses in your recent career. I would hope that one of the things you would bring, if you're approved, would be the ability to represent the views of front-line nurses. Could you perhaps provide us with some information about how much interaction you have with real front-line nurses?

**Dr Gallop:** Let me answer that in two ways: One, the nature of the research I do requires me to be in the clinical setting all the time and be very cognizant of what's happening at the front line. I have constant interaction with front-line nurses. I serve a lot as a consultant to front-line nurses on difficult cases. I'm working with nurses at the Clarke to help look at all their health care policy on units, to see how the unit policy needs to be changed as they try to deal with changing patient populations.

Next week, for example, I'm going to Hamilton, where I'm spending a whole day, at their invitation, helping front-line nurses work with psychiatric populations in hospitals and communities who have histories of childhood abuse. I travel across the country doing that.

I am constantly aware. I supervise nurses directly working with patients. I meet with them in groups; I meet



with them individually. I think I know what's happening and what's changing. I also meet with community nurses about the kinds of difficult problems they have working at the front line.

**Mr Grimmett:** It seems like your expertise is mostly in the psychiatric area. Have you had much recent involvement with nurses in more of an acute care setting?

**Dr Gallop:** Most of my involvement is with psychiatric nurses. Some of my research has involved interviewing nurses in many different settings about how their role has changed. We did that over the last couple of years, but primarily I work in mental health.

**Mr Dan Newman (Scarborough Centre):** Good morning and welcome to the committee. Mr Grimmett asked you a question dealing with the nursing profession and your contact with them. My question revolves around the point of asking you how the nursing profession itself views your appointment to the Health Services Restructuring Commission.

**Dr Gallop:** I think they would be pleased. I'm a member of our professional association. I've been involved with the association for many years; they often call on me, and the college calls on me, for opinion and advice. I think I'm positively regarded by the profession.

**Mr Newman:** You also answered Mr Grimmett's questions about working within the psychiatric field. Can you expand upon that a little more in terms of some experiences where you've done some of your work.

**Dr Gallop:** From my research work, I've done studies in many of the major acute care settings in Toronto in community hospitals and in public health centres where nurses work with psychiatric populations. There, I'm involved with nurses at major downtown hospitals. For the college, I've done reviews of psychiatric nursing services in hospitals outside of the Toronto area. I'm not sure what else I can tell you.

0910

**Mr Newman:** That's fine. Thank you.

**Mr Michael Gravelle (Port Arthur):** Good morning, Dr Gallop. Welcome. It certainly is a very impressive resumé. Obviously you have a great deal of experience in a number of areas.

One thing we certainly have seen in the last three and a half years is a loss of nursing jobs in this province. I think it's recognized by all that that has been a pretty bad thing. As someone who is particularly focused on the nursing field, I'm curious as to your feeling about that, because obviously the restructuring commission has played a role in the decisions that have led to that. In that you're seeking to become a part of the commission's membership, I just wanted to get your take on that, because clearly there has been a great loss in psychiatric care as well, so if I could get your thoughts on how you feel about that.

**Dr Gallop:** That's a very complicated question. Obviously I was deeply disturbed by the loss of the many nursing jobs. At the same time, I understood why we needed to examine and rationalize the way we delivered services. One of the reasons I'm interested in being involved in phase 2 is that I think if we look at an

integrated health system we can see the way that nurses can serve a very important role in an integrated system. I think there are all sorts of opportunities for the profession to make its voice heard. I think nurses need to be out in the communities more and that there are lots of opportunities. But I would be dishonest if I said I wasn't very concerned about the loss of jobs. Then, what are the new opportunities?

**Mr Gravelle:** Would you view that as one of the responsibilities that you'll take on, to actually try to make the case with the commission itself that indeed they perhaps have erred in some of their decisions in that regard, in the sense of putting some directives forward that basically hurt the system? You talk about phase 2. Phase 1 is not necessarily all complete yet. You may be a part of that as well. Do you view that as part of your role, to lobby on behalf of the fact that the front-line professionals, such as nurses, need to be returned to the role they played in the health care system?

**Dr Gallop:** I don't know exactly where the commission is at this point, but what I like about my work, what I'm really interested in is if the client is getting the best possible service. What I will argue for is that. I don't see myself there specifically to lobby if I don't think it's in the best interests of the client. If I think it's in the best interests of the client that we rethink or look at services and service delivery, then I'll lobby for that.

**Mr Gravelle:** But clearly you don't think it was in the best interests of the client to take out of the system so many positions from the nursing profession. You said right at the top that concerned you. Obviously that was something you didn't agree with.

**Dr Gallop:** I was concerned about some of the ways it happened. Much of it happened, as I understand it, before the commission, when the hospitals were trying to manage physically.

**Mr Gravelle:** What's your understanding of the relationship between the Health Services Restructuring Commission and the Ministry of Health?

**Dr Gallop:** My understanding — and it's a little bit naive at this point — is that in phase 2 the responsibility is planning and recommendation. I think that's somewhat different from the mandate in phase 1, where it was more of a directive or an implementation.

**Mr Gravelle:** In other words, you're coming into this position with phase 1 completed in your mind, I take it. Your interests are obviously more clearly geared towards what you describe as phase 2 then.

**Dr Gallop:** When Dr Sinclair talked to me and invited me to consider an appointment, he described that the major task of the commission would be phase 2. Perhaps I will be involved in some of phase 1 if it has not been completed, but my understanding is that the major task is phase 2.

**Mr Gravelle:** One of the concerns I think probably everyone has expressed has been the fact that while the restructuring directions were being taken, the ministry was at the same time removing money from hospitals, taking almost \$1 billion out of hospitals, which seemed to be a



strange, counterproductive way of trying to restructure. Do you have any thoughts on that? That certainly has been one of the reasons we've had such a decline in the quality of health care we've been able to deliver. I would love to have your thoughts on that too.

**Dr Gallop:** I think we'd all like to see more money in the health care system. That's sort of a natural response of every Canadian. Personally, I would have liked to have seen some of the processes a little slower. From my research perspective, I always like to do a little bit of pilot work to see what works and what doesn't work. Once you've figured out what works, you go ahead full blast. From that perspective, it might have been a good idea to find out what works. Quite honestly, I'd like to see more money in the community.

**Mr Gravelle:** You've obviously had an extensive background in terms of mental health and psychiatric nursing. One of the great concerns we've identified is the fact that there do not appear to be adequate facilities to treat those people who need psychiatric care.

In my part of the province — I come from Thunder Bay — the Lakehead Psychiatric Hospital is there. We had a meeting recently where it was confirmed by the Thunder Bay district jail deputy superintendent that 10% of the prisoners at the Thunder Bay district jail were people who were in need of psychiatric care, which is a shocking thing to hear in Ontario. I certainly am well aware of the situation down in Toronto.

What are your thoughts on that? We've seen, obviously, the number of beds reduced. We've seen a lack of crisis care being provided. Those may be some of the solutions to the situation, in terms of my Thunder Bay story. I'd love to hear your thoughts on that, because that to me is a true tragedy and a true shame. We should be ashamed of that, that in a province like ours we have a situation where people cannot receive the care they are supposed to receive and ultimately they end up in jail because they're not receiving that care. Again, I would think that would be something you would have given some thought to.

**Dr Gallop:** This is a situation where I would probably put on my nursing lobby hat, in the sense that I believe, particularly in the regions where there's a severe shortage of psychiatrists, there are other health professionals who need to be recognized and qualified to do the work. I would perhaps argue for the use of advanced-practice mental health nurses in these areas who are high-level, skilled clinicians who could provide the treatment. The reality is, at the moment most of the treatment in those psychiatric settings is being provided by nurses, often in the community. They work with family physicians very closely. That is a way one would look at how the services should be provided for the mental health population and who we should be calling upon to provide those services, because I suspect we'll never get a large pool of psychiatrists working in Thunder Bay.

**Mr Rosario Marchese (Fort York):** Dr Gallop, I was impressed with your resumé, and I thought, "How do

you find the time for all this research?" It's an important question for me.

**Dr Gallop:** It was a thought when I was asked to be considered for this appointment: How would I find the time? But I believed I might have an opportunity to do something important. I guess you find the time. I'm sure you're very busy. You drive yourself. That's part of being at a university. You make your own craziness, is how I sometimes think about it, and you do it. I love it, so I do it.

0920

**Mr Marchese:** I am impressed with your craziness, I can tell you that, because it seems to me I can never find the time to do very much although I'm always running around doing things. Anyway, it's impressive.

Mr Gravelle talked about something that is of interest to me as well, because Dr Sinclair made some comments about restructuring and in an article he said it would be advisable to first plan restructuring and then reduce government support to the hospitals. That's what he was quoted as saying, and the OHA believes the very same thing. They say, "Before laying off employees and reducing programs to hospitals and so on, wouldn't it be more advisable to talk about what that plan would look like and then make your cuts to fit the other plan?" That seems logical to me as well.

Of course you responded very reasonably by saying: "Yes, it would be nice to see more money. The process should have been a little slower; more pilot work and then you plunge ahead." It seems to me like a common sense kind of thing to do. What do you think we should do about that? This problem is still ongoing. The various restructuring suggestions haven't yet been finalized so it means the chaos continues, the cuts continue. Something needs to be done, it seems to me. What do you think needs to be done or what might you suggest to the members of this committee that we look at doing to solve some of these little problems that we're seeing — non-politically, of course?

**Dr Gallop:** Of course. I'm not trying to be evasive, but I have to go back to the fact that I really do believe we need an integrated health system. Rather than doing little bits of fix, we need to really sort out a system where we put the clients at the centre, sort out what their needs are and then sort out what are the services that will best fill those needs. That's what I hope this second phase will do. As I understand it, all that's in the second phase is planning and recommendations. Whether it's implemented will not be the commission's responsibility, as I understand it.

**Mr Marchese:** I understand that. I think some of us would like to see a more integrated system as well, but it's nice to plan it. Once we've planned in the way that you suggest, then you can make changes. I think people could deal with those changes once we have a sense of what that integrated system looks like. But to make cuts prior to that system being in place I think is just a mistake. I agree that it should be integrated, but we've made a whole lot of cuts that are showing themselves in terms of problems we're experiencing all over the place.



The decisions of the commission are final. That is your understanding as well, right?

**Dr Gallop:** Yes.

**Mr Marchese:** Yet they don't have any power. The power rests in the ministry and the government and they decide what stays open and what closes. What do you think about that?

**Dr Gallop:** My sense is — and this is with the same kind of knowledge that most of the public would have, because all I have is what I read in the media — that most of the recommendations and the directives from the commission have been followed.

**Mr Marchese:** I'm not entirely sure that is always the case.

**Dr Gallop:** I didn't say always, I said most.

**Mr Marchese:** Yes, that's the problem. That's where politics enters into it.

**Dr Gallop:** Absolutely.

**Mr Marchese:** I suspect most of the time people can agree, and then the government, for political reasons, decides to make some changes, as it did, for example, in setting up the rural and northern health care framework. You would have thought that the restructuring commission is dealing with all of the hospital closures and then all of a sudden the government decides, "We're going to have a rural and northern health care framework." There's no urban framework. I guess the restructuring commission would deal with that. Then they set up another framework for the rural and northern areas. Do you have any comments about that?

**Dr Gallop:** I haven't been on the commission so I don't know all the intricacies of the situation, but I think once you get outside of the urban setting you have a very different situation. You have all your teaching hospitals, you have your high density of physicians and services in the GTA and a few other major urban areas. Then you leave and you have a very different picture. Geography starts to play, I would imagine, a very different role. But I don't know, because I haven't been there, the intricacies of the process in the commission.

**Mr Marchese:** I'm sure there are a lot of intricacies everywhere. As much as we can agree that rural and northern areas are different, I think the urban setting is different as well. Sometimes I get the impression that what drives the commission, for example, in terms of what the government would like it to do is very mathematical, dollar-oriented at times. One wonders whether or not they take into account matters of religion or matters of language or matters of inner-citiness in terms of those implications. Do you think such a scope is part of the restructuring commission's decision-making process or do you think it should be broadened somehow to concern itself with these broader social questions?

**Dr Gallop:** Again, I don't know whether or not those issues were taken into consideration. If I were a member of the commission, and in the future as a member of the commission, I very much would bring contextual issues in for discussion, but I can't comment on what has occurred. I don't know if they were concerned only with dollars and

cents versus all these other things. I would hope they were concerned with those other things too, but I don't know.

**Mr Marchese:** Madam Chair, I have no further questions. I just wanted to congratulate Dr Gallop. I'm sure her appointment will be a good one for the commission and I'm impressed by her.

**The Chair:** May I mention to members of the committee that I've had an indication from Mr Newman that he would like to have another question. We have an agreement —

**Mr Newman:** Could I just make a comment?

**The Chair:** Perhaps you could hold it until we're debating the actual recommendation for appointment.

**Mr Newman:** Could I just clarify it and help —

**The Chair:** I don't think that's in order, Mr Newman.

I was remiss, Dr Gallop, in not mentioning, although it's been made very clear in the discussion, that your intended appointment is to the Health Services Restructuring Commission. Thank you very much for joining us today. The committee will be dealing with the recommendation for your appointment at the end of this morning's session.

0930

#### ARCHIE HEIDE

Review of intended appointment, selected by official opposition party: Archie Heide, intended appointee as member, Niagara District Health Council.

**The Chair:** The next intended appointment is to the Niagara District Health Council, Dr Archie Heide. Welcome. If you have any opening comments you would like to make, please feel free to do so and then we will begin discussion with the committee members, beginning with the Liberal Party.

**Dr Archie Heide:** I wrote down my name on the pad here so I wouldn't forget it.

I'd like to introduce myself. I'm Archie Heide. I am a resident of the Niagara Peninsula, virtually lifelong. I've lived there 60 years. We moved there when I was six years old. I've lived in various areas of the Niagara region so I really feel that I'm a citizen-at-large in the Niagara Peninsula, not just a resident of St Catharines.

I've been married for 43 years to Loretta. I've got four children and five grandchildren.

What do I do? I'm a general and vascular surgeon, but I'm retiring. I'm getting out of it. I'm at that stage where I think the younger people need a chance. I need to get out of it. At the present time I have cut my practice down to just implanting pacemakers, which takes me about 10 or 15 hours a week. I have a regional clientele, not just from the city of St Catharines, although my address is in St Catharines.

I have always been involved, both medically and in the community. First of all, I'd like to just mention some of my medical involvements. I've been involved in numerous medical organizations at the local level — the Lincoln County Academy of Medicine — and at the district and provincial levels through the OMA. I've been chair of a



district for OMA region. I've also been involved in a national medical organization. I was on the advisory committee to the College of Physicians and Surgeons for district 4, which is Ontario, for about eight years, following which I was on the council in Ottawa for eight years, representing the Ontario contingent of surgeons there.

I've been involved locally in the hospital structures, having had virtually every job over the period of years that you could think of, all the way from chief of departments up through president of the medical staff, chief of staff, member of the board of governors and so on at the general hospital. I've also had some similar experience at the Hotel Dieu Hospital, although maybe not quite as extensively.

In the community and in my local church I've also been very active. It might be of interest that I was on the board of directors for the Bethesda Home for the Mentally Handicapped and for Bethesda Community Services, which is under Comsoc. I was on that for two stints, about six years, back in the 1970s and then my practice got so busy I had to give that up. But from 1993 to 1995 I was back on that board and served as chair. I might say we had an excellent relationship with the ministry, Comsoc, and I enjoyed that very well. I think that was pre-Mike Harris days, if I recall.

I'm also involved in a very active Rotary Club in St Catharines.

That's all I'm going to say. Let people ask questions and see what they want to know.

**The Chair:** Thank you very much. Each caucus has about nine minutes. I'm sure it's Mr Gravelle who's going to be doing — oh, Mr Bradley, sorry.

**Mr James J. Bradley (St Catharines):** Welcome, Dr Heide, to the committee. Committee members should know that Dr Heide and I are very good friends. We had the pleasure of contesting each other in the last provincial election, so I won't ask my usual first question, Archie, which is, "Are you now or have you ever been a card-carrying member of the Conservative Party?" I used to ask that when the New Democrats were in power too.

**Mr Marchese:** Each and every time.

**Mr Bradley:** Yes, every time.

First of all, I can indicate — and before hearing you I know your qualifications — that the Liberal Party will be supporting your appointment to the Niagara District Health Council. I think it's a good appointment and I'm interested in some of your comments.

If I may, the first question is about the health councils. You have seen them develop when they were first appointed and you've seen them grow and mature and change. Let me ask you, first of all, what role you see for them in the future. Some people say they should be abolished; others say they should be expanded; some say they should be given more power. What would your views be on the role and future of district health councils?

**Dr Heide:** Quite frankly, at various periods of time I've held all of those views that you've expressed. I think that with the amount of change that's taking place at the present time they're going to become invaluable. It's

important when there is major change coming down the tubes, and undoubtedly there will be, that the health council play a very active role, in an advisory capacity of course, but I think they can do a lot to make things work. There's going to be a lot of fine-tuning that's going to be necessary and I really feel that, if ever, they're going to be important now.

**Mr Bradley:** One of the areas of importance, and I'm certainly aware of this — you work with many patients who are senior citizens. I know because when I went into the nursing homes or the senior citizens' homes to campaign, they would tell me that Archie Heide had operated on them and what a good guy he was. I know your knowledge, Archie, of the area. What about senior citizens? We have in the Niagara Peninsula per capita the oldest population, certainly in Ontario, perhaps in Canada, under the last census. What needs do you see having to be met in the Niagara Peninsula as a result of that?

**Dr Heide:** Not only do we have a lot more older people than we used to have — and I think we're the leader in this in Canada now; I agree with you — they are also going to be living longer. We're going to be keeping people alive longer when otherwise they might not have lived. That's just the nature of the way medicine has been going. So I think we're going to have an increasing need for long-term care and hopefully much of that can be done in the home.

We can be very innovative in keeping people at home much longer than we ever did before, with the proper support. That is extremely important, that we really develop that and maybe set entirely new boundaries and capabilities that nobody else has done in keeping people at home. But there will always come a time when we need that long-term bed and I think we're going to have to work very hard at not being caught off guard in that aspect.

**Mr Bradley:** Mr Wood, the Conservative member for London South, introduced in the Legislature last Thursday an appropriate resolution dealing with palliative care. Again, with the number of seniors we have, we're bound to have more people needing access to palliative care. Where do you think the palliative care is best done? Should it be done in a hospital setting, in a hospice setting, in a home, or a combination of those?

**Dr Heide:** It depends a little on the condition of a patient or of a client. I think that as much should be done at home or in a non-threatening clinic setting as possible and as long as possible. We need all these areas, but I can still recall as a young fellow going to a hospital to visit people and hospitals had that distinctive ether smell. It was a very institutional and a very threatening place. You know, you walked around on tiptoe and spoke in hushed voices.

We need to deinstitutionalize the whole care aspect and try and make it a natural thing and a non-threatening thing. I'd like to see as much of it done on an outpatient basis — you know, near home or in the home, local clinics — and this can then of course progress as the needs of the patient progress, say, to a hospice setting, which is getting a little more serious, or an in-hospital setting. But I think



we need all these areas and it has to be a flexible presentation.

**Mr Bradley:** One of the challenges we face in the Niagara region that you are so well aware of is the fact that we are often stated to be Hamilton-Niagara and the services are not necessarily available right in Niagara. Again looking at our seniors population, the ability to travel and so on, do you see some services which now exist, for instance, in Hamilton, London or Toronto that might be transferred to the Niagara Peninsula so that people could access those services without the travel?

**Dr Heide:** I think the glaring one there would be mental health services.

**Mr Bradley:** Yes. There's a possibility that ultimately the Hamilton Psychiatric Hospital might close and we're seeing some significant deinstitutionalization in terms of psychiatric care, but the major challenge is always finding another place for psychiatric patients. Unfortunately, in many cases it's the streets. As we walk around any of our communities, we see some patients in the streets. How can we deal with this problem of psychiatric patients, the challenge they present for themselves, for the families, for society in the Niagara Peninsula?

**Dr Heide:** I'm not a mental health expert and I would entertain a lot of information and advice on that particular matter. Again, the simplest thing is to put them all in a box, isn't it? But that's not really the answer. That's not what we want. I think it needs to be humanized as much as possible. Again, you need adequate staff, case workers, shelters and so on, because a lot of these people are on the street at the present time.

**Mr Bradley:** The local restructuring commission made some recommendations, and of course the provincial restructuring commission, which I unfairly, my government friends would say, call the hospital closing or destruction commission, but that's a very political comment to say that, has made some pronouncements about Niagara. One of them is the possibility of the Hotel Dieu Hospital being closed. What role do you think the Catholic hospital has? With its Catholic values, does it have a special role to play within the Niagara Peninsula or should it simply be integrated with the rest of the hospitals?

0940

**Dr Heide:** As you know, Jim, I'm not a Catholic.

**Mr Bradley:** Nor am I.

**Dr Heide:** I understand that there are special Catholic values, but I would like to think that they don't have an exclusive domain on values. I think there are a lot of other churches and religious organizations that probably have equally good values, and I would like to see a setting in which these values would be available not just in a Catholic hospital but in all hospitals.

**The Chair:** Mr Bradley, this is the last question.

**Mr Bradley:** I served on the board of the general hospital when I was on city council. I know you are familiar with all the hospitals but certainly with the two in St Catharines. One proposal is that there would be one hospital board for the whole Niagara region; another is that there

would be one for what I'll call the urban hospitals and one for the rural hospitals. Would you comment on that?

**Dr Heide:** Do you want my personal views?

**Mr Bradley:** Yes.

**Dr Heide:** I think Queen's Park is probably getting a little frustrated because we're always bitching and complaining about health care in the Niagara Peninsula. One of our problems there is that it has been unusually fragmented. For a population of 500,000 people we have eight or nine hospital settings, whereas a place like Mississauga, with double the population, has less than half of that. It makes it difficult to provide world-class health care when it's so highly fragmented and when you have each part going in its own direction.

So far the track record has not been one of great co-operation. That has not been the hallmark of health care in the Niagara Peninsula. I think we have to look at some of the options to get co-operation. There has to be some type of central focus, other than an advisory health council, that will direct health care in the Niagara Peninsula. Whether that takes place as a unified board or several boards, I don't think we can go in eight or nine different directions at one time. That is no longer an option. We do have to do something to change this. I think we'll have to leave it to the wisdom of the number crunchers and the people in the ministry and our local politicians to come up with a suggestion for us, and I think the district health council will run with whatever we're given.

**Mr Marchese:** Dr Heide, just to come back to something you talked about earlier, with respect to care you suggest that much should be done at home or near home, and I agree with that. Deinstitutionalization is a good thing, by and large, if you have the community support in place. Part of my concern is that when we talk about much being done at home, and every government agrees, the problem is that the responsibility tends to fall on the family to take care of their problems on their own. That can be a heavy responsibility, not just in terms of financial problems but in terms of the whole mental-psychological arena that kicks in when there are problems in the home. As much as I agree with you, we've got a problem unless we put in place the supports for care in the home or near the home. What is your sense of how we deal with that?

**Dr Heide:** I come from an ethnic background in which family was very strong. My family would probably resent institutional interference. I think we have a strong sense that family is responsible. Maybe that's a bit of an old-fashioned value and it may be hard to achieve in an urban setting. But I think we should work in that direction as far as we can, keeping in mind that we have to have that safety net underneath it to make it work. Some families are stronger than others. Some can handle it and some can't. I think we have to allow for that in the system.

With regard to Mr Bradley's previous question on deinstitutionalization, I might just mention that I myself am a cancer patient. I've had cancer for 13 years and have had chemotherapy three times. But I think I probably carried deinstitutionalization to the maximum the last time, in January, when I had chemotherapy in Hawaii, and



I greatly recommend it. As a matter of fact, I could take it myself and administer it myself. We had planned a vacation so we just took it along and I started it in Honolulu, and I thank the system for making that possible.

**Mr Marchese:** Good luck with that.

I come from the same type of background. My mother, of course, took care of my father who had Alzheimer's disease.

**Dr Heide:** That's a heavy one.

**Mr Marchese:** It was difficult. She's 87 and she's a tiny woman, about four feet 10. My father's a bit bigger. She took care of him during most of that period. It was difficult for all of us. We had to get up in the morning and help her get him out of bed and clean him and so on. That's a tough thing, and as much as my mother wanted to do that, she wanted relief and help as well. So I had to go to one of the local areas that deal with seniors and problems with seniors and we tried to make an arrangement with them where we'd have daycare. That wasn't so easy; it was complicated. They wanted to institutionalize him in a home. My mother said, "No, I just need some help for the day." We made some arrangements for a while. They didn't like it because they had to come and pick him up, bring him down; it was all too complicated for them and complicated for us.

The point I make is that as much as those values we have and that we carry are good, there are many stresses in society that we all now have and bring. As a result of that we need supports, and those supports need to be provided by government. That is the point I make. If they're not there, you put a lot of stress on families, financially and emotionally, and I really believe that governments have to play a role in providing structures for people if we're going to have more of that care. Otherwise, the whole system will be in shambles.

**Dr Heide:** If I might comment on that, I think those provisions are sometimes there, but you're so "question-naired" and "formed" to death that you can never really get to them on time when you need them. I appreciate that aspect of it.

**Mr Marchese:** I wish the supports were there, but often they're not, and for people with language barriers it's even more complicated, as you would appreciate.

**Dr Heide:** Absolutely.

**Mr Marchese:** The district health councils have been reduced from 33 to 13. Some people are pro and some are agin. Do you have any views on that?

**Dr Heide:** It didn't affect our health council. It remained as it was, and so I really haven't given it a lot of thought. I'm not familiar enough with the settings of the other health councils to give you an intelligent answer on that.

**Mr Marchese:** The DHC submitted its recommendation on the future of hospitals in the region to the Health Services Restructuring Commission. Are you familiar with that?

**Dr Heide:** Superficially, yes. I don't know all the details of it.

**Mr Marchese:** Superficially, do you have any comments on that report, any strong feelings one way or the other?

**Dr Heide:** It was obviously a report that goes in several different directions at the same time, and in this I think it represented a great deal of frustration, a great deal of diversity. It was an attempt at compromise, and probably nobody knows better how difficult a compromise is than the people working here in this building. It was a report that maybe would answer some of the questions, but for many of us I think it wasn't specific enough. It was neither fish nor fowl. It tried to go down the middle. I'm certain that when the final decision is made by the ministry, it will either be less or more than the report suggests, but I doubt it will be the same.

0950

**Mr Marchese:** As you pointed out, it's always an attempt to compromise. Is your sense that sometimes we can't and we have to do what is, in your view, right or wrong?

**Dr Heide:** I think they enjoyed the fact that they were an advisory council and didn't have to make the final decision.

**Mr Marchese:** But I guess you're prepared to make the tough decisions if you have to. Is that the point?

**Dr Heide:** Yes, and I know how to make decisions. But I don't think health councils really make the tough decisions. They have to advise the ministry. The ministry gets stuck with the tough decisions.

**Mr Marchese:** But you prefer that the district health councils make tougher decisions so as to give more clarity to what they recommend.

**Dr Heide:** I think they would be more credible if they did.

**The Chair:** Mr Marchese, I have to indicate this is your last question.

**Mr Marchese:** Ken Johnston, an executive director of Shaver Hospital, was questioning, as one of those problems you're trying to tackle, why his institution and its neighbour, Niagara Rehab, should report to different boards when the two facilities are physically joined and work collaboratively. Do you have any feelings on that?

**Dr Heide:** I think it would be a very difficult situation. I would agree with him.

**Mr Newman:** Welcome to the committee, Dr Heide. I want to begin by saying I appreciate your frankness in the answers you've given today. I wonder if you might share with members of the committee some of the personal experience you bring to the council table.

**Dr Heide:** All right. I think I've mentioned some of the work I've done at the organizational level of hospitals, having been through all the various positions that it's possible to have as a medical practitioner. Because of the type of work we do, of course, we're excluded from certain things. So I bring that experience.

Having practised 34 years in the community and in this province, I think I bring a sense of history. I started under the private health care system. We're in a government health care system at the present time. I've been through



that transition. If I look back on it, I would think that going from private to government health care was probably the last major change we've made in health care. We haven't really changed much since, other than to dicker with the system a little here and there. Maybe it's time to look at some major changes. I don't know what they should be, but I think we have to look at it, because nothing lasts forever and you have change to keep up with changing times.

I've had extensive experience in health care delivery. It's pretty hard for somebody to sell me a package of goods if it doesn't have reasonable credentials. I've worked both in the professional aspect of health as well as organizationally in administration. I have a lot of decision-making experience. I've had some very difficult decisions to have made professionally involving clients or patients. Sometimes you sort of hate yourself for having to make the decisions you do, but they have to be made. I don't make happy or pleasant decisions all the time, but I think I make the right decisions most of the time.

I've had a lot of experience working with others and, quite frankly, they usually weren't like-minded people. So I think I bring the capability of working with people with other ideas.

**Mr Marcel Beaubien (Lambton):** Good morning and welcome. It's nice to see you again healthy.

Mr Bradley asked a question concerning mental health and your comment was, "It's not adequate to put the patient in a box, and we realize that many are on the street." But one thing I get from many constituents, sometimes from family members, from friends, is that they ask, "Why is that particular patient out?" From a political point of view I know that the opposition always says, "Well, these people are out on the street, there's no place for them." But the reality is that they do have personal rights. On the one hand, maybe they should be committed, but on the other, many times the patients sign themselves out.

Do you have any comment on this? How would you rationalize this dilemma we find ourselves in today?

**Dr Heide:** I think you're absolutely right. A person on the street is always an embarrassment to any government, be it local, provincial or federal. It's an embarrassment to our local politicians and to our local churches, because we don't believe in those types of things and we should be doing something for them. But I think that people have been trying, and that every political party has tried to deal with this problem. I think all we can do is continue to be compassionate and continue to be innovative. I agree with you: You can build shelters for these people and put them in there, and next morning they walk out.

I don't know the answer. Do we give them a tent and a backpack, or do we build a brick and stone shelter for these people? Do we have soup kitchens? Yes, we have them locally, but we still have people on the street. There were some articles in the Standard this past week. One of our local reporters went out on the street for two days and slept out with these people and had some rather interesting

articles on this. I haven't got the answer for that. It's a much more complex problem than just spending money.

**Mr Beaubien:** In other words, Dr Heide, you're saying — and I don't want to put words in your mouth — that we have not a political problem but a social problem.

**Dr Heide:** Yes. It's all of those.

**Mr Newman:** Dr Heide, if your appointment is confirmed today, you would actually be a provider member of the district health council. How would you handle any potential conflict of interest?

**Dr Heide:** If a conflict of interest is identified, I would have no problem stepping back and letting others deal with it. I don't have to do everything myself.

**The Chair:** Thank you for joining us, Dr Heide. The committee will be dealing with the recommendation for your intended appointment at the end of this morning's session.

## RICHARD MAKUCH

Review of intended appointment, selected by official opposition party: Richard Makuch, intended appointee as member, Ontario Municipal Board.

**The Chair:** Mr Richard Makuch is an intended appointee as a member of the Ontario Municipal Board. Welcome and thank you for joining us today. Would you like to make any opening comments?

**Mr Richard Makuch:** Yes, I would. Thank you very much, members of the committee and Madam Chair, for giving me the opportunity to appear this morning. I wish to make a few brief comments to highlight relevant aspects of my background for this intended position.

As you will probably have noted from my CV, I have worked with four different departments or agencies of the federal government. Part of my experience is as legal counsel with the National Transportation Agency, which is a quasi-judicial tribunal, where I provided advice and counsel on various matters dealing with the hearing process and fairness and other issues. I spent some time in the same capacity at the National Energy Board as well.

I have some experience in municipal government, having worked with the city of Gloucester in the regional municipality of Ottawa-Carleton as city solicitor for five years and gained some experience in the area of municipal law and planning and development.

I also spent a fair bit of time in private law practice in the area of administrative and municipal law, having represented different clients — municipalities, private individuals and large landowners — before the Ontario Municipal Board. So I have a good perspective of the work of the board and how to present a case before the board and, more importantly sometimes, how not to present a case before the board.

Quant à mon statut linguistique, malgré un nom polonais, qui n'est pas francophone, je peux vous dire que ma langue maternelle est le français et que j'ai représenté des clients à plusieurs occasions devant la cour provinciale et aussi devant les organismes que j'ai mentionnés tantôt : l'Office national de l'énergie, l'Office national des



transports, où j'ai agi comme l'avocat principal pendant des audiences publiques de ces commissions dans la langue française, dans la province de Québec et aussi en Ontario.

Do you wish me to translate that into English?

**Mr Bradley:** Excellent. I'll pass on how well you speak French.

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**Mr Makuch:** I have worked in both official languages of this country and, at this point, I'm prepared to answer any questions you may have concerning my background and suitability for this intended appointment.

**M. Marchese:** Merci, madame la présidente. Monsieur Beaubien, je pense qu'il a très bien passé l'examen de la langue française, non?

**Mr Beaubien:** D'accord.

**Mr Marchese:** Mr Makuch, with a legal background, and I hope I'm not being too unfair, but can you tell the committee the distinction between: "have regard to" and "be consistent with"?

**Mr Makuch:** Yes, to some extent I could.

**Mr Marchese:** Could you do that for us?

**Mr Makuch:** I think there's a more positive obligation on an individual who's dealing with the matter where you're dealing with the words, "shall be consistent with."

"Shall have regard to," in my view, means that you shall not ignore that and that you take it into consideration but you're not bound by the policy you're being asked to have regard to.

**Mr Marchese:** That's why, when we dealt with land use planning through our bill, the Ontario Planning and Development Act, the former government used the language "be consistent with" matters of public policy. We felt municipalities should be bound to the larger provincial interest and principles. They changed that language to "have regard to" which, in our view, weakens land use planning as it relates to environmental issues in particular. That was the worry of Sewell in the work he had done, and that was certainly our concern. I'm not sure if you have any thoughts on that. Perhaps it's a bit too political.

**Mr Makuch:** I think I would rather stay away from that. I really don't have any thoughts on that.

**Mr Marchese:** Part of what they did, of course, as part of their reforms, at least their objectives, was to reduce the time it takes to approve new development, promote economic growth, and then, they say, protect the environment.

That was our concern, once again. Of course, what Monsieur Beaubien and others want to do is speed up and promote economic development. That's fine, but the language "having regard to" and "be consistent with" worries me in terms of how the environment will be affected. Again, it connects to the same question I was directing to you before. I am worried about that. Are you worried about that?

**Mr Makuch:** I'm not sure that the word "worried" would — obviously, if I were to be sitting as a member of the board hearing these appeals or applications before the board, I would have to look at that and make my decision based on that. I don't really have any comment as to —

**Mr Marchese:** Again, part of our worry is that municipalities sometimes, depending on where they are in the province, can be more easily influenced than higher levels of government. That may not always be the case, but in some towns they can be influenced by people with big dollars to speed up planning processes and development and so on. That was my worry. I'm sure you share it, but in your view, when you adjudicate you'll take all matters into account.

**Mr Makuch:** That's correct. If I'm successful in this position, I have a duty to look at all aspects of the case before me.

**Mr Marchese:** The OMB has put in place what's called "board current emphasis on efficient caseload management." They say, "The board member's performance evaluations now focus on achieving the expeditious production of effective, well-reasoned decisions." That sounds good on paper, but I worry in terms of how people will be evaluated on the job. It almost appears that they're going to be evaluated on how fast they make decisions even though on paper it appears to concern itself with how well reasoned they are as well. Does that worry you, or do you feel that we have nothing to worry it?

**Mr Makuch:** I think it's important to always have well-reasoned, well-considered decisions, so that you have an opportunity to review all sides of the matter. I think timeliness of the decision-making process is very important for all concerned. Whether you oppose a project or are the proponent of a project, I think everyone benefits if the decisions are timely. My experience in this area, whether I was representing individuals or landowners or municipalities, is that people used to say: "The 'yesses' and the 'noes' I can handle. It's the 'maybes' that drive me crazy." If the decisions are timely, well-reasoned and well-considered, the interests of justice and the interests of the province as a whole and of the public are well looked after.

**Mr Beaubien:** Bonjour et bienvenue. Je voulais vous demander une question sur votre français, mais votre français est meilleur que le mien. Alors, on ne touchera pas ça.

Mr Makuch, I think you pretty well answered all the questions I was going to ask you. First, I was going to ask you how much experience you have with the Planning Act, the building code, development charges and all that type of thing. But as city solicitor for five years I'm sure you've probably dealt with a wide aspect of these problems that communities face. So I think I'll pass, and I'm sure you're very qualified.

The only question I have is that on many occasions when people make presentations in front of the OMB, some cannot afford lawyers, don't have the resources, may not have the knowledge and are faced with a situation where financially they can't deal with it, they cannot hire somebody to help them. Their presentation may not be the best presentation that one could make. As chairman of such a committee, how would you deal with a person who has not prepared himself or herself very well. Maybe their presentation has some merit, but they're not conveying



that message or addressing the problem properly. How would you deal with a situation like that?

**Mr Makuch:** If my appointment is successful, I would probably be in that situation from time to time. My responsibility as the adjudicator, the chairman, in such a situation would be to make sure that all the relevant evidence pertaining to the matter is put on the record, and to give those people some comfort that I am listening and that if there are any questions I have as a result of their presentations, to delve further into the matter and help them bring that evidence out without taking sides in the matter. Making them feel they've had a fair hearing before the board is a very important consideration. There's a saying in the field of administrative law that justice must not only be done but must also appear to be done; so to make them feel they've had a fair hearing before the board and that all issues have been properly canvassed and reviewed.

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**Mr Beaubien:** So you feel the element of fairness does play an important role.

**Mr Makuch:** Absolutely. As an adjudicator, as a decision-maker in such circumstances, it's definitely one of the tenets of our system.

**Mr Beaubien:** The other question I have: If you're appointed you would only be the second francophone member in the province dealing with hearings. How would you respond to extensive travel across the province? Does that create any problem for you?

**Mr Makuch:** I have been put on notice that there will be some requirement for travel across the province — in northern Ontario, to some pockets of the province that have a largely francophone population. I understand there is a francophone population in the Windsor area and in the Welland area as well. Of course in eastern Ontario, where I'm from, there are a number of municipalities that do business in the French language.

**Mr Grimmett:** Welcome, Mr Makuch. In your experience as a lawyer you indicated that you had some experience before the municipal board. My interest in this topic, aside from the issues that have already been asked, is in the methodology the board uses. There is an issue in some communities where the Ontario Municipal Board is used as a delaying tactic in the development process. I wonder if you have any comments on processes the board might set up, in addition to some of the processes it already has, to avoid that abuse of process.

**Mr Makuch:** I'm aware that the board is using mediation, which apparently has been very successful. The area I'm in right now, the Department of Justice, uses it extensively. It has been rather successful in resolving disputes between the federal government and individuals without having to go through a long process. I understand that, for instance, if there is an application to have an appeal dismissed, the board will give the party who filed the appeal an opportunity to make oral submissions, set aside a morning or an afternoon to hear from that individual and find out what kind of evidence they intend to file with the board in support of their appeal. It has been my experience

that it has quite often been successful in dealing with those things.

When you're dealing with something and you say something is frivolous and it's there for the purpose of delay, it depends which side of the fence you're sitting on. If you're a large developer and you're looking for the go-ahead for a project, you're going to take the view that most of the time almost any opposition to your project is strictly for the purpose of delay and there's no merit in the application.

**Mr Grimmett:** I've had clients come into my office and tell me that's why they want to hire me.

**Mr Makuch:** To delay?

**Mr Grimmett:** To delay. I think every lawyer has had that.

**Mr Makuch:** I've been in that situation as well. I've used it to advantage on behalf of my clients, and we were able to come to a very good resolution of the problem.

**Mr Grimmett:** Do you have any thoughts on using costs to penalize parties who abuse the process?

**Mr Makuch:** I think the board has the power to do so and, in my experience, it has been used on occasion.

**Mr Grimmett:** Do you think it's used regularly enough?

**Mr Makuch:** I don't think I can comment on that, because I think you have to deal with each application on its own merit. It's very difficult for me to comment on whether it's used too much or too little, or to make a general comment in that regard, without knowing the facts of each case.

**Mr Bradley:** In the United States, of all places, urban sprawl is beginning to emerge as a very significant issue, even in the congressional and gubernatorial elections taking place at this time. We certainly see considerable evidence of urban sprawl being permitted in a variety of places in our province. Perhaps I could ask you a general question on how you view the issue of urban sprawl and how you would be inclined to approach it as a member of the Ontario Municipal Board.

**Mr Makuch:** I guess my understanding of urban sprawl is that it's just unplanned, ad hoc development and expansion of areas without proper consideration. Based on my experience and my knowledge of the Planning Act, I think there are measures in place through enactment of official plan zoning bylaws and development control bylaws to deal with that.

Urban sprawl is not pretty. This summer we were in Rochester, New York, with my son for a soccer tournament, and I think that was a good example of urban sprawl and uncontrolled development, with all due respect to the people of that area. Because of that, it's not a pretty area that would draw people back. It was obvious to me that that's what took place in an area like that. It's undesirable, and I think there are mechanisms in the legislation to prevent that sort of thing.

**Mr Bradley:** There are a couple of ways that urban sprawl is brought about. One is through severances on agricultural land. There are always pressures out there among some people to have severances for agricultural



land. If they are granted at the local level, they usually know the person who's on the committee or the person on the local council, and it's difficult when they see them, perhaps, at church or in the grocery store or they belong to the same service club or something. It makes it a little more difficult for people when it comes to making a decision on severances than when it is done by a body that is more detached.

Is it your view that strong provincial policies prohibiting widespread severances would be wise since, when you have the severances — and the people here who represent rural areas will know what it's like — you get city people moving out and then they start complaining about the circumstances which exist for the farmers out there, and eventually you start seeing subdivisions.

**Mr Makuch:** I think a lot of those things are purely matters of local interest. I am not really sure I can comment on a province-wide view on that.

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**Mr Bradley:** The other way in which land is converted from agricultural land, which is very valuable if we think of it — and it's a personal view I'm injecting, but I'm sure it's shared by many. When you look at the province, we don't have all that much prime agricultural land in good climatic conditions. Even though we've got a large province, much of it is not very useful for agricultural purposes, in terms of prime agricultural purposes.

One method that is used to persuade local politicians to grant approval for a subdivision or development is to have good agricultural land left unfarmed. The developer buys it up, leaves it unfarmed and in not very good shape, and then comes to the local council and says: "It's not being farmed anyway. Why wouldn't you allow this to be developed?" As a member of the Ontario Municipal Board, how much would you be influenced by the fact that land that is designated as agricultural land is not being farmed and therefore should be allowed to be developed?

**Mr Makuch:** I think that would be one of the considerations; I would have to have all the facts of that particular case in front of me to be able to decide. Clearly, if it's prime agricultural land I think that's a resource that needs to be protected. But there are also the rights of the individual landowner who wishes to develop that land. On the balance of the evidence that would be before it, the board would have to make a decision. But whether those lands should be developed and allowed to be taken out of that agricultural inventory would certainly have to be considered.

**Mr Bradley:** Do you believe that the length of the appointment being three years could influence the decision of an appointee to the board? As that appointee gets to, say, two and a half years and there's a government in power, whatever it happens to be, and that government has a certain philosophy towards land use planning, do you think there's a danger that by having only a three-year appointment to the Ontario Municipal Board — I'm not just saying you but anybody who's appointed to the board — somehow we could reach a situation where those who are on the board are going to make decisions inclined to

ensure their reappointment as opposed to decisions they truly believe to be appropriate? Is there a danger, and do you believe the appointments should be longer? It's difficult because you're being appointed, but should they be longer for anybody being appointed?

**Mr Makuch:** I think that's certainly a valid issue. I believe that Mr Colbourne was asked that question when he appeared before this committee for his appointment as chairman a couple of years ago, and indicated that, yes, it could potentially be a problem for a member.

**Mr Bradley:** I'm interested in a couple of other things. One is the Niagara Escarpment, which is a very special part of the province. The Niagara Escarpment Commission was established by the Davis administration in the 1970s, you will recall. Minister Sterling, who was provincial secretary for resources development at that time, presided over the first plan that came out for it.

There are now many proponents of some rather extensive development on the Niagara Escarpment. Do you have any views about the Niagara Escarpment?

How much time have I got?

**The Chair:** You have about two minutes.

**Mr Bradley:** I'll throw the other question in. The other is on heritage areas. I think of Niagara-on-the-Lake and how nice it is at its present size and how many developers would like to double the size of it if they could, and thereby you lose what was attractive about it in the first place, whether it's Stratford or Niagara-on-the-Lake. So those two issues: the escarpment and heritage areas.

**Mr Makuch:** I don't know that much about the area. I've visited it as a tourist. It's a beautiful area that I think should be preserved as much as possible. I understand that the Niagara Escarpment Commission is there to oversee the development of land and make sure that development of land in the area will preserve the natural beauty etc of the area. My knowledge is very limited in that area. But I think it's an area worth preserving because it's a treasure for this province to have.

I've visited both sides of the Niagara area. My brother lived in Buffalo and we used to visit there a lot. I can truly say that the Ontario side of the Niagara area is much nicer than the US side. I think the preservation of the natural environment is foremost there compared to the other side.

**The Chair:** Thank you very much, Mr Makuch. The committee will be dealing with the recommendation for your appointment at the end of our morning session. Thank you for joining us.

The next person scheduled is Mr John Bylhouwer. I don't believe he's here, is he?

#### NICHOLAS PERPICK

Review of intended appointment, selected by official opposition party: Nicholas Perpick, intended appointee as member, Ontario Casino Corp board of directors.

**The Chair:** Mr Perpick is here and is prepared to proceed at this time, with the committee's agreement. Welcome, sir, and do you have any opening comments that you would like to make to the committee?



**Mr Nicholas Perpick:** Yes, I do. Thank you very much, Madam Chair, and good morning, ladies and gentlemen. Thank you for allowing me to be here today so I can share with you my background and qualifications and to give you an understanding of how I feel I can make a positive contribution to the Ontario Casino Corp if put on the board of directors.

A little bit about my background: I've been involved in the hospitality and tourism industry since the age of 15. I was schooled in business and graduated from college in hotel and restaurant management and administration. My experience includes hotel, catering, night club and resort industry as well as restaurant business.

I spent the last 18 years building our company. I'm partner, chief operating officer and original founder of our company, Prime Restaurant Group. I started from one restaurant in my hometown of Sudbury, doing \$1.6 million a year, going to today 114 restaurants, doing in excess of \$200 million in sales.

Our restaurants go coast to coast, from St John's to Victoria, with 80% of our units in the Ontario marketplace, reaching almost every community and ADI in the province. We have approximately 8,000 employees in the province and an infrastructure in our company that allows us to be considered one of the leaders in our industry. This was reflected last year by our company winning the national pinnacle award for restaurant company of the year in Canada.

I am an entrepreneurial and creative thinker who's passionate about his business and committed to our industry and the projects I'm involved in. My business experience has not only been in Canada but in the United States and Europe as well. My working relationships include many government and regulatory agencies as well as committee participation industry-wide, both in Canada and the United States. My successes and my company's successes have been built on the ability to develop a team of good people who are knowledgeable, focused and action-oriented, who are driven to understand their customers, what their needs are, what their expectations are and to exceed their expectations and to provide customers with a memorable experience. All of this requires leadership and direction. This is what I hope to bring to the board if I do get appointed.

I am honoured to be considered for this appointment. I find the casino business to be extremely exciting and I feel it offers many opportunities to the people of Ontario and the tourism of the province. Most important, I believe my skill set and experience in the industry will be a positive influence if I am appointed to the board.

**Mr Grimmett:** Welcome, Mr Perpick — again, a candidate with a most impressive résumé. We've had a number of appointees to the casino corporation come here, and there is apparently an attempt to have a wide variety of people represented on the corporation board.

Your background appears to be in the restaurant business and you have had some association with East Side Mario's. They have a very impressive marketing approach. Their commercials are I think among the best in

that business. Do you consider yourself a marketing person?

**Mr Perpick:** Yes, I do. As a matter of fact, our marketing department reports directly to me, and for all our concepts within our portfolio I manage the marketing programs.

**Mr Grimmett:** Is that a skill you think the casino corporation needs, or do you have any thoughts on how you might be able to enhance the marketing of that aspect of what this job requires?

**Mr Perpick:** I think it's a very important component of the casino operation, to be able to market it. The industry has changed substantially. World-class venues are hitting our province and cities daily. You have to be competitive and you have to have the marketing strategy to understand who your consumers are and what you have to do to attract them and get them to become repeat customers. That is done through proper marketing programs.

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**Mr Grimmett:** One of the things people worry about with the casino corporation is the possibility that members of the board or people in a position to make decisions could run into a conflict of interest. You clearly have a lot of relationships with people in the entertainment and hospitality field. How are you going to deal with the possibility of conflict coming up when a decision has to be made at the board?

**Mr Perpick:** I've been living with that exposure all my life, particularly in dealing with the liquor board. I'm governed by regulatory laws. I keep my nose clean. I'm honest about things I participate in. I'm very knowledgeable about what I get involved with, and I do not have any conflicts at all.

**Mr Grimmett:** Those are our questions.

**Mr Bradley:** I have a few questions which I'm interested in. The responsibility, it seems to me, with the casino corporation is not only to promote gambling in the province, but to ensure that what takes place — and heaven forbid, there's a lot around this country and North America — is very well-controlled.

May I first ask the question: Have you believed in the past or do you believe today that video lottery terminals or other gambling devices should be permitted in bars and restaurants in this province?

**Mr Perpick:** I haven't given it much thought in the Ontario marketplace. I haven't been involved in gambling, and as far as what's been going on with the gaming issues and the policies regarding VLTs in the Ontario market, I've never really thought much about them.

**Mr Bradley:** The hotel and restaurant association had been lobbying rather substantially, as I recall, to have legal gambling devices in their bars and restaurants. Are you familiar? You're probably a member and know those people.

**Mr Perpick:** I'm a member and I'm aware, but I've never participated in any committee involving VLTs or gaming for the restaurant industry.

**Mr Bradley:** Keeping in mind, and I guess it'll be a personal view but one which is widely held probably, that



gambling preys upon probably the most vulnerable people in our society, probably the most desperate people in our society, and most assuredly those who would be addicted to gambling, and that it has been seen to cause some considerable social problems, tears at the social fabric of the province — in my opinion, as I say; an opinion shared by many — how in good conscience could you be part of an organization that would promote gambling then? You mentioned, for instance, that you wanted to see repeat customers. How can you be part of that kind of organization, which would be so very much involved in the promotion of gambling, which preys upon the weaknesses of people rather than the strengths of people?

**Mr Perpick:** I guess the same thing could be said for liquor and drinking.

**Mr Bradley:** Sure.

**Mr Perpick:** We have an obligation in the restaurant industry and our company to give back to the communities and to educate and put programs and restrictions in place where you control it. I've been in the restaurant business almost 30 years. I've never had an infraction that I've been charged with and we are very responsible in terms of educating our employees with the types of programs we implement in our industry, and follow through on them, from extensive counselling to some employees who have had problems, to education through the subsidization of bursaries to the colleges and universities, exactly on these issues.

**Mr Bradley:** The government of Ontario had announced plans several months ago, and has since made a reannouncement, that it wanted to have in Ontario 44 what were called charity casinos. These are permanent casinos which could operate 24 hours a day seven days a week in various communities, which would likely not be having people fly in from England or coming from New York City but rather would be preying upon the local people for the revenues which will be gained by these casinos. Since then, with the widespread opposition, I suspect even among some of my friends on the other side of the House, the government changed that policy and appeared to be much more cautious in the approach. Do you believe that we should have 44 charity casinos in this province operating in 44 different communities?

**Mr Perpick:** No, not necessarily. I understood the process of what was happening with the charity casinos, the 44 going in, and I was asked to participate in some of the foodservices tenders, but that's as far as it went. I didn't get involved in it beyond that, beyond some consultation.

**Mr Bradley:** Proponents of gambling, and there are many in a variety of backgrounds and so on, and probably a variety of political parties, somehow try to characterize this as not being a tax. My view is that governments across this country have increased this tax tremendously while saying they're cutting out other taxes. You can go from coast to coast on this. They say, "We haven't increased taxes," and then they put a tax on very vulnerable and desperate people. Do you think it's wise for

governments to become as addicted as they have across this country to gambling revenues?

**Mr Perpick:** I think gambling is something that's here to stay. It's been in our industry and culture for years. If it's controlled and managed properly, there are positive effects that can result from it.

**Mr Bradley:** Do you believe that every time you increase gambling opportunities, in other words, you escalate gambling opportunities in a jurisdiction such as Ontario or Quebec or anywhere else, you increase the chance that you're going to find more people who will be problem gamblers spending their money less productively than they might otherwise spend it?

**Mr Perpick:** I believe gambling is a choice, as are many other things, and I think there will always be a small percentage factor who have problems dealing with it. I will go back to what are we prepared to do, or what would the Ontario Casino Corp be prepared to do, to address that situation?

**Mr Bradley:** There is one way, and that is what I would characterize somewhat unfairly as "conscience money" that they pay off to organizations which deal with this problem and it helps soothe the conscience.

I go back to the fact that the casino corporation's job seems to be to get more and more people into the casinos. When they are part of a tourist component, such as Niagara Falls and Windsor, where you have a tourism component established right on the borders, you perhaps see that as international promotion. Do you believe that with the major casinos we have there should be, as part of the package being provided to the government by the proponents of casinos, a very large tourism aspect which is outside of the casino itself? That was an issue, you may recall, in Niagara Falls when there was some controversy over the choice of the company which would operate the casino. Some people said the one company that won didn't have enough of a tourism component to go with it, that really it was all about the casino and the other stuff was just kind of fringe stuff. Do you think that when these major proposals are made, the company should be compelled to have a huge tourism component as part of that package?

**Mr Perpick:** I believe that as a result of the casinos tourism will grow, and it's very important that the casino corporation get involved in additional what I call draw cards to attract people to the centre, to offer more to them than just, say, gambling.

**Mr Bradley:** Do you believe there should be credit card machines, money machines, readily available, where people can go in, stick the card in the machine, max it out and blow their money on gambling?

**Mr Perpick:** I just signed a deal this week to put credit card machines in our restaurants, for convenience for our customers.

**Mr Bradley:** It's perhaps my values, but it's different to me having one in your restaurant where people have to eat in any event and it is an accepted activity — and there may be some people addicted to eating; heaven knows, but it may be case — however, I ask you about how much



conscience we can have. How can the casino corporation possibly justify putting machines in which allow people to max out a card, the whole amount, the maximum of that card, so they can blow money on gambling and then walk home with no money?

1040

**Mr Perpick:** I firmly believe that we're in the service industry and the casino corporation is in the same business. One thing about being able to service people is you make things accessible to them. These people who are going to max out on their credit cards are going to walk out the front doors, go across the street to a bank machine and do the same thing.

**The Chair:** Mr Bradley, last question.

**Mr Bradley:** My contention on that would be that the more convenient you make it the more likely it is going to happen.

I get back to the promotion. To whom do you believe that the casino corporation should promote gambling? You're not going to get me in there, but you're not really looking for me anyway. Aren't you really going to be looking for the person who is more inclined to be gambling, perhaps even has a gambling problem? When you put out your promotion, isn't that who you're really aiming at, or the person who is desperate, the person who is not well-connected and can't get the good jobs or perhaps didn't have a chance at a good education, sees this as the one chance to get ahead, "Here's your chance to win"? For instance, in these lotteries they have the 6/49 or something like that they say, "It's \$16 million this week," and there's a big promotion for it. Aren't you really going after people who in fact have gambling problems?

**Mr Perpick:** I really can't answer that because I'm not on the board and I don't know the mandate of the corporation. I don't know what their marketing strategies are, I don't know who their target markets are, I don't know what the demographics of the areas specifically are yet — a lot of information that I have not had made available to me yet to evaluate such a question.

**Mr Wayne Lessard (Windsor-Riverside):** Have you had an opportunity to read the bill that regulates the activities of the casino corporation?

**Mr Perpick:** Not yet.

**Mr Lessard:** Just to follow up on Mr Bradley's questions, the objects that are set out in the bill, the mandate, say that it's to enhance the economic development of certain regions, to generate revenues for the province and to ensure that those measures are undertaken in the public good. The nature of his questions is how is it that you can balance those initiatives, trying to expand the opportunities for casino gaming and also the revenue-generating aspects of it, while at the same time making sure that the public good is protected?

**Mr Perpick:** To answer the first question, as far as the economic development or the benefits of a casino, I'm a recipient of such opportunities. I have a restaurant in Orillia where sales have gone up dramatically. I have a restaurant in Windsor that was there much longer than the casino was there, and our sales went up 30%. Previous to

the casino going into Niagara Falls, we did studies of the market and we found that we would possibly be lucky to do maybe \$1.7 million per year out of that restaurant. We opened up a restaurant in Niagara Falls this year. It's tracking to do \$3.2 million.

**Mr Lessard:** You're aware that a lot of that business, at least in the Windsor area, comes from Michigan, Ohio and a big part of the United States. I think that 80% of the customers at the Windsor casino are Americans. Are you aware that Detroit has approved three casinos to be constructed in the Detroit area?

**Mr Perpick:** Yes, I read that in the papers.

**Mr Lessard:** What do you see as the casino corporation's mandate in trying to deal with the introduction of competition in the United States to compete directly with the Windsor casino?

**Mr Perpick:** As far as Windsor is concerned, the casino had their foot in the door first; they are a step ahead of the competition. If proper management is in place to direct the facility and to improve it, to make it world-class and competitive, there are other opportunities that will still come on our side of the fence.

**Mr Lessard:** Do you think that part of taking advantage of those opportunities should be the establishment of a second casino in Windsor?

**Mr Perpick:** Again, I haven't seen any numbers to endorse that. Because I'm not on the board I don't understand yet what the reasoning is for the second casino. If there's an opportunity, as there is in Windsor, for me to open two more restaurants — and I am opening up two more restaurants in Windsor, because I've done my homework on that business and it is favourable for me to add additional restaurants in that marketplace.

**Mr Lessard:** Are you still in the restaurant business in Windsor?

**Mr Perpick:** Yes, I am.

**Mr Lessard:** Do you consider that to be a conflict, if you know that your businesses will benefit from a second casino being established there and promoting a second casino?

**Mr Perpick:** No, I don't believe it's a conflict at all. I've cleared my position with my board and we see it as a positive opportunity in terms of myself and my business career etc, and I'm enjoying the opportunity.

**Mr Lessard:** You have no problems with the establishment of a second casino in Windsor then?

**Mr Perpick:** Again, I can't answer that question because I don't know what the strategy or reasoning is behind it. I don't know what the decision-making criteria were for posing that.

**Mr Lessard:** I can understand where my friend Mr Bradley's questions come from, because on the weekend his leader, Dalton McGuinty, said he would put a stop to the spread of gambling. He said, "No new casinos," and I would take it that would mean no new casinos in Windsor as well, I guess. For the people in Windsor and people such as yourself who still are open to the establishment of a second casino, that may be cause for some concern.



Are you familiar with the agreement Windsor has with the casino corporation?

**Mr Perpick:** No, I'm not.

**Mr Lessard:** Are you familiar with what's known as the "most favourable nations" clause in that agreement with respect to whether a casino in Niagara, for example, has additional things associated with it such as a tourism or convention centre or something of that nature? Perhaps the Windsor agreement should be reopened so they are able to get at least as favourable an agreement with the Ontario Casino Corp as any other.

**Mr Perpick:** No, I'm not familiar with that. Again, that's another example of details that I'm not privileged to know about, but it sounds to me like the type of information that you've got to evaluate your decision-making process with.

**Mr Lessard:** Are you aware as well that part of that agreement makes the casino corporation responsible for putting back into place the waterfront area in Windsor that was used as a parking lot by the casino for a number of years?

**Mr Perpick:** No, I'm not.

**Mr Lessard:** You're familiar with Windsor because of your restaurants, aren't you?

**Mr Perpick:** Yes, I am.

**Mr Lessard:** So you're aware of the importance of the waterfront and the park system along the water to the Windsor community?

**Mr Perpick:** Yes, I am.

**Mr Lessard:** Would you put a high priority on ensuring that the redevelopment of the waterfront in Windsor takes place if you were to be appointed to the board?

**Mr Perpick:** I'd evaluate the whole situation process and see if it creates an opportunity for the local market as well as the casino corporation.

**Mr Lessard:** Do you think it's important to maintain public ownership of casinos in Ontario?

**Mr Perpick:** Again, I'd have to get more involved and understand all aspects of it to satisfy that comment.

**Mr Lessard:** So you have no objection to there being privately owned casinos in Ontario?

**Mr Perpick:** No, I haven't given it any thought one way or the other.

**The Chair:** Mr Kormos, there are about three minutes left on the clock.

**Mr Peter Kormos (Welland-Thorold):** I've got no quarrel, obviously, with your resumé and the background in marketing. There's clearly a strong background in that regard. But I noticed a succession in your background from Pat and Mario's to East Side Mario's. Is there a connection between the two?

**Mr Perpick:** Yes. I started Pat and Mario's here in Toronto in 1984. I decided to take the concept to the United States and I opened up three Pat and Mario's in the United States. They didn't do well. I misread the market and I lost a lot of money personally in that venture. I was left with a couple of properties and contingent liabilities because of lease obligations. I had to retool the concept.

That's why I developed East Side Mario's. The first East Side Mario's restaurant was opened up in Aventura Mall in North Miami.

**1050**

**Mr Kormos:** So Mario's still around; it's Pat who's gone.

**Mr Perpick:** Pat and Mario's is successful. I've got three left in the province: one at the airport, one in North Bay and one in Sudbury, and they're successful.

**Mr Kormos:** I was just curious about that.

You talked about having been invited to bid on the food concessions for the charity casinos, the 40-plus charity casinos. Am I interpreting that correctly?

**Mr Perpick:** Pardon me?

**Mr Kormos:** You were being asked to be involved in the tendering on the food supply for the charity casinos.

**Mr Perpick:** There were several groups tendering on charity casinos and they were all interested in what type of foodservice, because they needed a foodservice component. One or two of the groups called and asked me if I'd be interested in participating in the foodservices and I inquired as to what it would potentially involve. I did speak with one group and made some recommendations, but there was never any follow-through on it.

**Mr Kormos:** Again, no quarrel, because those charity casinos are obviously on hold for the moment. But is your company still interested in being involved in tendering in that area?

**Mr Perpick:** My company's interested in growing our business. Our company's mandate is to double our size. We have an internal strategy called Vision 2001 to double the size of our company. I'm interested in getting a foothold in other opportunities. Right now I'm involved in trying to get into the airport business as well. It's just diversifying our foodservices division within the industry and we wanted to see if there was an opportunity with the casinos.

**The Chair:** Last question, Mr Kormos.

**Mr Kormos:** I'm wondering if you think your participation on the board would preclude your company from bidding for participation in food supply in any of the casinos or operations supervised by the board.

**Mr Perpick:** I had that discussion with my company. They understand that if food services were an opportunity in the casinos, we'd probably be eliminated because of my conflict.

**The Chair:** Mr Perpick, the committee will be dealing with the recommendation for your intended appointment at the end of this morning's session. Thank you for joining us.

JOHN BYLHOUWER

Review of intended appointment, selected by official opposition party: John Bylhouwer, intended appointee as member, Regional Municipality of Niagara Police Services Board.

**The Chair:** Mr John Bylhouwer is a recommended appointment to the Regional Municipality of Niagara



Police Services Board. Welcome, sir. Do you have any opening comments you would like to make to the committee?

**Mr John Bylhouwer:** Yes, I do.

My name is John Bylhouwer. I'm a 36-year-old resident of Beamsville. I became a chartered accountant in 1987 and was admitted into the partnership of Deloitte and Touche in 1995. My responsibilities at Deloitte and Touche include the management of the St Catharines tax practice, the hiring, counselling and evaluation of staff in the office and the management of the technology resources within the St Catharines and Hamilton offices. During my professional career with Deloitte and Touche I've had the opportunity to consult with senior management of both not-for-profit and for-profit organizations.

Outside of my professional practice, I like to spend as much time as I can volunteering and participating in events that my children are involved with, whether they be school events or recreational activities, volunteering as a parent volunteer or as an assistant coach.

**Mr Bradley:** Welcome to the committee, first of all. The first question I usually ask is — I always wonder how things are working these days — how did you find out about this opening for this position?

**Mr Bylhouwer:** I was approached by Tom Froese.

**Mr Bradley:** Are you aware if there were any ads in the newspaper? At one time there was talk of putting ads in the newspaper when they needed people for the police commission and there were going to be appointments to it. Do you ever remember one being in there?

**Mr Bylhouwer:** I personally don't know.

**Mr Bradley:** There used to be a book. The previous NDP government established a book that used to be in all constituency offices and other places which listed all agencies, boards and commissions. I don't think that's available any more; certainly I haven't seen one in a while.

A few questions, because this is a substantial position, as I know you know it is. Recently we've had a situation where police increasingly seem to be involved in revenue-producing activities, as opposed to general policing activities. If you talk to the average police officer, he says, "I want to be able to investigate robberies, and if there are murders." We hope there aren't going to be, but that's the kind of work they like to do. Increasingly, because of some changes that have taken place, they're involved in revenue-producing activities. More and more of their time is consumed by that. Do you think that is healthy, to have police involved more in revenue-producing activities now than they used to be?

**Mr Bylhouwer:** I know the issue has been raised at the local level as well as the provincial level. I think you're speaking of option 4?

**Mr Bradley:** Yes, option 4 would be one of the activities.

**Mr Bylhouwer:** The Solicitor General is reviewing the use of that practice not only within Niagara but outside of Niagara.

To answer your question, if I were sitting on the police services board, I would think the issue had to be reviewed to see — it's nice to get the money, but that's simply not enough if you're diverting resources from other important policing activities. The bottom line simply isn't about money, and the overall security of the community should be paramount.

**Mr Bradley:** There's another program called HEAT, the high enforcement action team. One of the critics of HEAT has been Mike Pratt, who is the administrator of the Niagara Region Police Association. He has noted that HEAT is in part financed by the business improvement associations, whose members are located in downtowns, which benefit from high levels of policing. Mr Pratt, I should note, is not opposed to the activity itself but more to the fact that it is financed in part by people from those business areas. Do you believe that policing specific neighbourhoods should be based upon who's contributing to the policing in terms of special over-and-above tax funds and not simply the need in that area?

**Mr Bylhouwer:** If I understand your question correctly, if the question is, should service be fee-based alone and come at the expense of policing in other areas, the answer simply is no. If, however, we are able to satisfy the requirements of the community as a whole and if a fee-based arrangement could be arranged where additional officers can be used to staff those areas, I'm not sure I would have a quarrel with that. But you have to go back again to — and I think it's the same issue with option 4 — are we satisfying the policing requirements of the community as a whole? If there is a call for special policing in certain jurisdictions and we can find a way to generate revenue for that service, I would not be opposed to it. But you go back to the simple issue of, are the policing needs of the community being met as a whole?

**Mr Bradley:** This practice reminds me of two tiers, and that practice is more known in the United States than it is here. In some states in the United States you have two-tier health care. For instance, Dr Duncan Sinclair, who is the chairman of the hospital restructuring commission, noted the other day that he could afford to go to a private clinic to obtain some services that perhaps the average person might not be able to, and he expressed some concern about that.

I would have a similar concern that we're going to establish a two-tier system, as you say, over and above, where people are still going to be able to get better policing if they have money, and those who don't have the money are just going to have to get the regular policing. Do you not see a danger in that and do you not see a danger in the fact that people might react differently to people who provide money for the policing of an area than they would to other people?

**Mr Bylhouwer:** If I were to sit on the police board, as long as the police services board is vigilant in maintaining a strong minimum standard and not see that minimum standard watered down, no, I wouldn't see it as an issue. The issue I think is if you allowed yourself to water down



the minimum level of service. I would see that as a problem.

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**Mr Bradley:** The parallel argument is made in health care, that we should provide a minimum level which is a good level of service for everybody, and if you want better service and you've got money, you go and get the better service with the money you have. I simply express a concern that all of us should get the same level of service. It should not be based on money when it's a basic service. Not everybody can have a Cadillac or a million-dollar mansion or something like that, but everybody should have those basic services.

There was an audit recently conducted in the Niagara region that noted understaffing posed a potential problem. The force was down 77 officers from 1991, which was a 13% reduction. Inadequate staffing appeared to be evident in police units as diverse as sexual assault, child abuse, marine, training and community services. The audit team suggested that in order to address this issue the police force required increased funding from, in this case, regional council; I would suggest the provincial government as well. The team argued that adequate levels of funding could probably not be sustained in the long run with the current staffing levels. So we don't have enough police officers, apparently, according to this audit in the Niagara region.

Would it be your intention, as a member of the police services board, to recommend an increase in the funding so that you could have front-line police officers on the street doing their job and protecting the citizens of Niagara?

**Mr Bylhouwer:** The report highlighted a number of things; some of those that you have mentioned, but it also highlighted that the Niagara Regional Police was doing exceptionally well in other areas. If I were to sit on the board, one of the first things that I personally think needs to be done is to review the contents of the report and meet with the board to review exactly where — I think the report said there should be a review of not only how much staff you have but how it's being used. You touched on that in some of your earlier questions. After you've made an honest assessment of not only the existing staffing levels but their allocation would you then go to the region.

I would also note that I saw in the last provincial budget that there's been an allotment for an additional 1,000 police officers. I think the Niagara Regional Police, either the chief or the board, should be putting forward a recommendation to get its share of those police officers so the understaffing issue can be resolved.

**The Chair:** Final question, Mr Bradley.

**Mr Bradley:** The last question always presents a challenge when I have so many questions that could be asked. I will go to this general question. In terms of providing police services, we know there is an additional challenge, and the figures show that crime is up in Niagara Falls. It's down in some other communities and we're delighted to see that it is down. It is said that in many cases where you have a casino, some people you don't want around the

casino are around the casino and some activities you don't want are around the casino.

Do you believe the province should provide additional funding, over and above what is there at present, to ensure that any illegal activities that might be encouraged or brought about as a result of the location of a casino in Niagara Falls?

**Mr Bylhouwer:** I'd go back to the previous question that you just asked me. First of all, we have to go back and think of whether we are properly allocating the staff that we have and whether the additional police officers that are going to be funded by the provincial government will be sufficient to do the job. In one sense you've criticized a user-pay system, where it seems that there's a greater need for police servicing in and around the Niagara region; but whether it's the province or the organizations that benefit from the economic spinoffs of the casino, perhaps they should ante up.

**Mr Bradley:** The number one beneficiary from the casinos, of course, would be the province of Ontario, and the one who is responsible for the establishment of the casino is Ontario. I would not recommend that business associations in Niagara Falls pay. I would recommend that the provincial government, which has an obligation when it establishes casinos in the province, be the one that should pay for that.

**Mr Kormos:** Thank you kindly for being here. Trust me, I appreciate the traffic problem travelling from Niagara.

Mr Marchese is the member on the committee. I was just sitting in this morning joining him. He was called out by one of the caucus staff members. It was a stupid thing for that person to do, to take him out of a committee when he's the member.

You were the chair of the Windsor GST discussion group?

**Mr Bylhouwer:** Yes.

**Mr Kormos:** What's that? I have never heard of that.

**Mr Bylhouwer:** There was a similar organization for income tax but there was no liaison group between outside practitioners and members of Revenue Canada. It was something I started just so you have a chance to discuss problems that you were encountering on audits, and also to hear from Revenue Canada concerns it had.

**Mr Kormos:** Interesting.

I regard Tom Froese as a friend. We don't belong to the same party; I suppose you know that. You indicate you were approached by Tom. Again, there's nothing inappropriate about that, but in what context? Why did Tom come to see you about the police services board?

**Mr Bylhouwer:** I was a director of the PC riding association for St Catharines and I met Tom through there.

**Mr Kormos:** There's nothing wrong with that, either. It's an admirable thing, but it's interesting that's not on your resumé as one of your achievements. You don't regard that as an achievement, to sit on the PC riding association? I guess in St Catharines it's not much of an achievement.

**Mr Bradley:** Yes, it is. I'm sure it is.



**Mr Kormos:** To sit on the PC riding association, I don't know. Fair enough. So you know Tom through the riding association — that's Tom's riding association, not the one that's in Bradley's old riding.

**Mr Bylhouwer:** I'm not sure, because of all the political boundaries changing now.

**Mr Kormos:** That was a real screw-up, wasn't it?

**Mr Bylhouwer:** Who knows?

**Mr Kormos:** I appreciate that you want to serve, perhaps in any number of ways, but why the police services board?

**Mr Bylhouwer:** I've been looking for something more, some community-focused position, and the opportunity came up. It looked like a very good opportunity. I have certain skills that I think I can bring to the forefront of any important organization in Niagara. I think I have a skill set that will be useful to the police services board. The opportunity was there and when I was approached —

**Mr Kormos:** So it was specifically about the police services board that Tom approached to you?

**Mr Bylhouwer:** Yes.

**Mr Kormos:** The heart and lung association, cancer society — they all need people to volunteer.

**Mr Bylhouwer:** They all need people, yes. But it was an opportunity.

**Mr Kormos:** But nobody came to talk to you about those.

**Mr Bylhouwer:** No.

**Mr Kormos:** Have you gone to these organizations to offer your support and your skills on their boards of directors and so on?

**Mr Bylhouwer:** No. I've done a number of smaller things. At my children's school, Senator Gibson, I sat on an advisory board to the principal on the planning of the building. I've done a number of smaller things.

**Mr Kormos:** You know that the recent changes to the Police Services Act reduced the number of provincial appointments so that regional elected members form the majority of the board. Do you understand that?

**Mr Bylhouwer:** That's news to me.

**Mr Kormos:** In the past, it used to be the other way around. What's the role of a provincial appointee as compared to the role of a member of regional council who is an elected member appointed to the board by a regional council?

**Mr Bylhouwer:** It gives a chance for the government to have a say in who actually sits on the board. From my affiliation with Tom Froese, I think he respected my talents as an accountant. That's the province's chance to put forward people who they feel have certain skills that can be brought forward.

**Mr Kormos:** What about philosophies? You do support the government's agenda?

**Mr Bylhouwer:** Yes.

**Mr Kormos:** I wouldn't expect you not to, of course. But you do support the government's agenda.

**Mr Bylhouwer:** In what sense?

**Mr Kormos:** You're a member of the Conservative Party of Ontario.

**Mr Bylhouwer:** Yes.

**Mr Kormos:** Federally, I'm not going to ask you, because I know that's a mixed bag. I don't want to put you on the spot. Are you a member of the federal Conservative Party?

**Mr Bylhouwer:** No.

**Mr Kormos:** Interesting. Are you a member of any other party federally?

**Mr Bylhouwer:** No.

**Mr Kormos:** You support the government's agenda, I trust.

**Mr Bylhouwer:** Yes.

**Mr Kormos:** You're not critical of it.

**Mr Bylhouwer:** No.

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**Mr Kormos:** I wouldn't expect you to be. It's my job to be critical of it. Do you think it's important that you're fully supportive of the government's agenda?

**Mr Bylhouwer:** The policies that they've raised so far, yes. I suppose that they're changing things for the better. I support that.

**Mr Kormos:** But you have no criticism of any of it, do you?

**Mr Bylhouwer:** You mean are there problems normally?

**Mr Kormos:** Sure.

**Mr Bylhouwer:** With change, there are always going to be problems, but the bottom line is, if it needs a little pain in the short term to get long-term gain, and it'll make the province a better place, yes.

**Mr Kormos:** Do you know why we have 13% fewer police officers in the Niagara Regional Police Force now than we did in 1991?

**Mr Bylhouwer:** I'm curious.

**Mr Kormos:** You've read about the debates over funding from regional government, haven't you?

**Mr Bylhouwer:** Yes.

**Mr Kormos:** You're aware that the regional government's position is that they can't afford more cops?

**Mr Bylhouwer:** Okay.

**Mr Kormos:** I don't want you to just take my word for it. I wonder if you're aware of that debate and aware of that argument.

**Mr Bylhouwer:** I'm aware of the debate that, yes, since 1991 there are 77 fewer police officers.

**Mr Kormos:** You mention accessing the funding that purports to provide 1,000 new police officers. Did you know that the police services board has already accessed that fund in Niagara?

**Mr Bylhouwer:** Already?

**Mr Kormos:** Yes.

**Mr Bylhouwer:** No, I'm not aware.

**Mr Kormos:** Do you know that the funding they received resulted in but three new policing positions?

**Mr Bylhouwer:** No. My understanding was that there were additional funds to come.

**Mr Kormos:** How did you acquire that understanding?



**Mr Bylhouwer:** It came out just in the last budget. I did not see any formal announcement in the papers that the money had been received.

**Mr Kormos:** Are you doubting that the police services board has made application and that will result in but three new policing positions?

**Mr Bylhouwer:** No. I'm not familiar with the contents of the application and I'm not aware whether or not the application had been approved.

**Mr Kormos:** Do you agree with the regional chair, Debbie Zimmerman, and the staff at regional Niagara, people like Boggs etc, who indicate that regional Niagara has a new tax burden of \$18 million as a result of the downloading by the provincial government?

**Mr Bylhouwer:** I'm not privy to that.

**Mr Kormos:** But you're aware that Ms Zimmerman has been declaring that, aren't you?

**Mr Bylhouwer:** Yes.

**Mr Kormos:** Do you agree with her?

**Mr Bylhouwer:** I'm not the insider here. If she's declaring that that's the case, then perhaps it could be true.

**Mr Kormos:** If there is an additional tax burden of \$18 million, that would go a long way towards explaining why the region says it can't afford new cops, wouldn't it?

**Mr Bylhouwer:** Yes.

**Mr Kormos:** Do you agree with the police who indicate publicly that response times have dramatically increased? Do you understand what I mean by response times?

**Mr Bylhouwer:** No, I don't.

**Mr Kormos:** The time that it takes between the phone call to 911 and for a cop to get to your door after you've had a B and E. Do you agree with that proposition?

**Mr Bylhouwer:** I'm not privy to those facts, and if I was on the board, that would be something that ultimately I would have to be privy to.

**Mr Kormos:** Do you agree that if that were the case, that would be the result of understaffing?

**Mr Bylhouwer:** It could be understaffing, the misallocation of resources. It could be a number of things.

**Mr Kormos:** "Misallocation of resources" has been a little bit of a buzzword throughout our conversation here. What do you think of user fees imposed by the police force?

**The Chair:** You have about a minute and a half left.

**Mr Bylhouwer:** About user fees?

**Mr Kormos:** Yes.

**Mr Bylhouwer:** I think Mr Bradley has raised a similar question.

**Mr Kormos:** Yes.

**Mr Bylhouwer:** My answer to that, and I'll repeat it again for your benefit, is that I think there should be a minimum level of service. As long as you're vigilant in not watering down that minimum level of service — and it has to be a very good level of service in the entire community — if you are vigilant about that and then someone comes along and says, "We would like service over and above that," I'm not opposed to that.

**Mr Kormos:** You're not opposed to user fees in that context, is that correct?

**Mr Bylhouwer:** In that context. As long as you can ensure a minimum level of service and you're vigilant about maintaining that.

**Mr Kormos:** What about the case of a recent trial in St Catharines where a press photographer, a journalist, working for the Toronto Star was prosecuted on trumped-up charges of assault, was acquitted, and then went to the police, as is his right, to have the record of his photos and fingerprints purged? He was found not guilty, he had no prior criminal record so his fingerprints and photograph had never been obtained before, and he was told that it will be done, of course, but at a \$30 fee to an innocent person. Do you agree that police should be charging innocent people to have their photographs and fingerprints purged?

**Mr Bylhouwer:** No, I don't think it's a reasonable thing.

**Mr Kormos:** Would you oppose that user fee if you were a member of the police services board of regional Niagara?

**Mr Bylhouwer:** In that specific instance, yes.

**The Chair:** Last question.

**Mr Kormos:** But you understand that the reason the police are doing this is not because they're malicious but that, like option 4, which has generated almost half a million bucks since it was implemented — three, four and five cops at a time staffing a speed trap — it's all about fundraising. Do you agree with police as fundraisers? You were asked this before and I'm asking you again.

**Mr Bylhouwer:** The answer is it goes back to public safety and delivering services to the community. If you're taking resources that are required for delivering police services to the entire community, if resources are being diverted from there and you're using them for revenue-generation activities, yes, as a police services board member, I would have a problem with that.

**Mr Kormos:** Thank you, sir. I am confident you'll be supported by the committee. I look forward to hearing your comments as a member of the board and some consistency with what you've expressed today.

**Mr Beaubien:** We've spent two and a half hours this morning and I heard there was not enough money for health care, there was not enough money for policing; we need more of this and we need more of that. The reality is that as Canadians, as Ontarians, our federal-provincial marginal tax rate is 53%. I would ask the members who feel that there's not enough money in the system what the marginal tax rate should be. I'm sure in our own personal lives there is never enough money, but most of us have a car, a house, take the odd holiday, smoke the odd cigarette or have the odd drink. It's a matter of priorities.

I've sat on the police services board for nine years and to be grilled like you were grilled by the opposition this morning, I commend you. For that amount — I don't know how much the position pays but I don't think it's fair, especially when an individual wants to help serve his community. Whether you belong to a political party,



whether you're involved with an organization, as long as you've got the right intention, that's what you should be here for.

My question will deal with your personal feeling on the situation that's been developing in the past month or two whereby we have competition between the OPP and the regional police services boards or municipal police services boards with regard to contracting out; and whereby the OPP invite members of boards, whether they provide a bus or not, to attend certain functions to try to lobby representatives of the community on the police services board as to the merit of having an OPP contract as opposed to having a regional or municipal police contract.

As a member, if you were appointed to this board, and if you were faced with this particular situation, how would you react personally?

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**Mr Bylhouwer:** As a board member, I would question — I'm not familiar with exactly what the OPP's mandate is, but it would be my assumption that the Niagara Regional Police would be responsible for policing within the Niagara region. If I saw that the OPP were moving into the Niagara region, at first I'd have to ask exactly what their motives were. But in the end, I think it's all about policing. If the resources can be delivered effectively by the OPP and at the same time the resources for the Niagara Regional Police Force do not suffer as a consequence of their moving in — if the OPP can do a good, effective job, that's one thing, but at the same time, I would not like to see the services provided to Niagara residents being diminished.

I'd also have some concerns about whether or not they could sufficiently dovetail the services that they provide to the community as a whole, because then the OPP is not simply responsible to that user, they're still responsible to the community. That would be a concern that I would say has to be addressed. Personally, I'd want to be satisfied that there wouldn't be any gaps between the services that the OPP provided and those that are provided by the regional police services board.

**The Chair:** Mr Bylhouwer, thank you very much. We'll be moving now to the committee dealing with the recommendations from all of this morning's intended appointments, so it will be a matter of moments.

Are there any of the individual appointments that people wish to deal with separately or do you wish to deal with them all separately?

**Mr Marchese:** All separately.

**The Chair:** Okay. If we could begin, I require a motion with respect to the intended appointment of Dr Ruth Gallop as a member of the Health Services Restructuring Commission. Mr Beaubien, would you like to place that motion?

**Mr Beaubien:** Sure, I will, Madam Chair.

**The Chair:** Is there any discussion with respect to that motion? Seeing none, all those in favour, please indicate? Those opposed? It's carried.

May I have a motion with respect to Dr Archie Heide's intended appointment as a member of the Niagara District Health Council?

**Mr Grimmett:** I move concurrence.

**The Chair:** Discussion? Seeing none, all those in favour please indicate? Those opposed? That is carried.

I require a motion with respect to Mr Richard Makuch, intended appointee as a member of the Ontario Municipal Board.

**Mr Grimmett:** I move concurrence.

**The Chair:** Any discussion? Seeing none, all those in favour? Those opposed? That's carried.

Mr Nicholas Perpich, intended appointee as a member of the Ontario Casino Corp board of directors.

**Mr Grimmett:** Madam Chair, we would ask for deferral of this matter until next week.

**The Chair:** Under the standing orders that can be deferred up to seven days. There's currently not a meeting scheduled but we will now schedule a meeting for next Wednesday to deal with this matter.

Mr John Bylhouwer, intended appointee as a member of the Regional Municipality of Niagara Police Services Board.

**Mr Grimmett:** I'd like to move concurrence.

**The Chair:** Is there discussion?

**Mr Kormos:** Chair, as you know and as I indicated, I'm not a member of this committee but obviously I have a significant interest in what's happening with respect to the Niagara Regional Police Services Board because of the crisis that policing is in in Niagara, that is to say, the shortfall of staffing. The police service itself is shy 77 officers of what it had in 1991 and the Niagara Region Police Association indicates that 100 new officers would be needed to bring it up to an adequate complement in terms of staffing.

I should indicate that Mr Bylhouwer, as he presents himself — quite frankly, I found him refreshingly candid as compared to the evasiveness demonstrated by some of the people who appear before this committee, and I commend Mr Bylhouwer for that. He, by and large, didn't play games when being asked some very direct questions. I do note that Mr Beaubien expressed concern about what Mr Beaubien regards as some sort of rigorous questioning by the opposition parties. I can assure Mr Beaubien that this was nothing akin to a cross-examination. He ain't seen nothing yet. He, in due course, I am confident, will experience far more thorough and aggressive and demanding and lengthy cross-examination, far more aggressive and far lengthier than the mere questions put to Mr Bylhouwer in a very courteous way. I hope it's perceived as courteous by both the Liberal members and by myself.

What's interesting is that Mr Bylhouwer, when he indicates achievements, indicates things such as chartered accountant, member of the GST discussion group — he considers that an achievement, but doesn't indicate his political activism as an achievement. There's no reason to be ashamed of it. I have every regard for people who participate in political parties and in campaigns, be they Tories or Liberals or New Democrats. It's something to



get out there and become politically active. But it's interesting that Mr Bylhouwer wouldn't indicate that as one of his accomplishments or one of his achievements.

I suppose the mere fact of being a Tory in itself isn't offensive, but the fact that Mr Bylhouwer — and I asked him twice, because I understand that he may not have been as fully prepped or briefed as some of the other people who appear before the committee. It's no criticism of the staff of Mr Runciman, the Solicitor General, for not having adequately briefed Mr Bylhouwer in terms of how he should respond to direct questions, but it appears that Mr Bylhouwer either wasn't adequately briefed or chose to disregard the type of briefing that these nominees usually get from the respective ministry.

Mr Bylhouwer indicated twice that he was uncritical of Tory policies. That causes me great concern. I heard him answer once, and then I asked him again, just to make sure that there weren't one or two or three areas in which he was prepared to tender some criticism.

I reach the irresistible conclusion, when you look at the whole history of things here, that Mr Bylhouwer was approached by a member of the Tory caucus, rather than Mr Bylhouwer approaching that member and indicating that he wanted to serve in some way, shape or form. It appears that Mr Bylhouwer did not initiate the contact, that Mr Froese initiated the contact. That's all of the evidence that we've heard. Mr Froese sought out Mr Bylhouwer. We understand how Mr Froese knows Mr Bylhouwer: Mr Bylhouwer is a card-carrying Conservative, on Mr Froese's riding association, a member of Mr Froese's riding association in the old riding there.

Mr Bylhouwer indicates that he wanted to serve and indicates in his résumé that he does feel — I think he mentioned sports activities as one of the things he does with his kids; I presume coaching and so on. I'm prepared to draw that inference. Mr Bylhouwer indicated that he wanted to serve. I asked about things like the Canadian Cancer Society or the heart and lung association, and he indicates that he never approached them. It wasn't restricted to those two organizations, but he leaves us with the impression that he hasn't gone out and sought out ways to serve.

I'm not suggesting that he in any way has been negligent in that regard, or has an obligation to, but I find that when you add that to Mr Bylhouwer being approached by Tom Froese — and not in a general way, not Tom Froese saying: "John, you'd make a good member of some board, agency, commission. Here's a list of things that you might be interested in." Mr Froese specifically seeks out Mr Bylhouwer, a member of the Conservative Party, for this position, and Mr Bylhouwer is uncritical of any of the Tory policies. Mr Bylhouwer would not refute — and again, I'm not suggesting that he should necessarily be in a position to, but nonetheless, he would not refute that the downloading, for instance, has added 18 million in new tax dollars by way of a burden to Niagara regional taxpayers. One has to draw the inference that if there's a problem with funding adequate levels of policing in Niagara, and I believe there is, it's in no small part attribut-

able, for instance, to the downloading by the provincial government of \$18 million in new taxes.

#### 1130

Mr Bylhouwer was questioned about the option 4 program, which has received a substantial amount of publicity. Now, Mr Bylhouwer appears to be aware of that because he notes that it was raised at the municipal level regionally as well as at the provincial level. I give Mr Bylhouwer credit. Obviously he's been following that issue.

I find it disappointing that if there was any single area where Mr Bylhouwer was prepared to be less than forthright — this isn't a new issue; it was first raised in the spring of this year — it was when he tried to avoid a direct response to whether or not he approves of police being engaged in this sort of fundraising. The bottom line is that option 4 has raised, according to legislative research, at least half a million dollars in the course of its inception in Niagara.

Mr Bylhouwer is aware that several other regional communities or individual communities are engaging in option 4 as well. The only conclusion one can reach about option 4, in view of the high staffing component of a speed trap — three, four, five officers at a time — is that it's designed solely to raise revenues for the police force.

The conclusion has to entail a consideration that cops don't want to be doing this. Mind you, there's been some interest by individual police officers who have now become somewhat receptive to the prospect of the overtime they earn, because the Niagara regional police force is paying overtime for police officers on these option 4 speed traps. That's how lucrative they are. Some police officers have become, unwittingly I suspect, supporters of option 4 because it provides them with an additional element to their paycheque. The bottom line is most cops, if not all of them, certainly would rather be out there conducting criminal investigations.

That notwithstanding, the Solicitor General's own report — the ministry's own audit, if you will, or investigation of the Niagara Regional Police Service — found much about the Niagara Regional Police Service to be praiseworthy, and I agree with that wholeheartedly. We've got a top-notch police force in Niagara and the fact is that I know a good chunk of them. I've seen them work and have been involved in their work for a number of years. It's a seriously understaffed police force.

Understaffing means a number of things. It means that citizens are at risk because response times are significantly delayed. It means that criminal investigations aren't taking place. I can tell you that police officers have stated privately to me as well as publicly in documented arenas that CID literally lies to victims of break-and-enters. They're forced to tell victims of break-and-enters who call in about the investigation the old, "Don't worry, it's being investigated," when in fact they know there is no investigation taking place. That's a phenomenon that's occurred. What we've seen in the Solicitor General's audit, and that they're cognizant of as well, is that CID officers in investigative positions are being pulled out of their specialized investigative positions to do front-line duty because we



need cops out there in uniform, on the street, in patrol cars.

That means criminal investigations aren't taking place, through no fault of the police officers, because they're being pulled off specific criminal investigative work to go out there and do front-line policing, which is critical as well. The bottom line is that if the criminals were aware of how seriously understaffed we are in various communities in Niagara and at various times during the week and even during the day, the consequences would really be frightening.

We have a huge regional area oftentimes with very little out there by way of police officers in cruisers, which really inhibits their capacity to respond to a serious — a crime is serious to the victim regardless of whether it's a break-and-enter or an assault or what have you. The prospect of coming home and finding your house torn apart and the front door kicked open surely is as traumatic for most victims as — I don't want to diminish either, but you don't even have a chance to confront your attacker or to respond to them. The victims of these crimes are as aggrieved as the victims of any other crime and to dismiss it as a mere property offence is entirely inappropriate.

This is resulting in serious consequences for the community; in other words, their exposure to a diminishment of the security of the community. Secondly, it's very dangerous for police officers because police officers often have to go out there and get involved, whether it's the proverbial barroom brawl or other incidents. Domestic assaults are one area which are documented as being particularly dangerous for police officers. Cops have to go out there in Niagara without the necessary backup as often as not, so you're putting police officers at risk too.

The understaffing of the Niagara Regional Police Service, which has to be attributed in no small part to this government's downloading, among other things and other policies of this government, is creating a danger for the community and danger for hard-working, skilled professional police officers who are not being given the opportunity to do the criminal investigative work they want to do because of the serious understaffing.

With all due respect to Mr Bylhouwer and his skills as an accountant, he is a purely political appointment. I don't believe there's any other conclusion that can be drawn, notwithstanding arguments that might be made by members of the government caucus here in this committee. He never sought out the police services board. He didn't seek out an appointment; he was sought out as a result of his relationship with Tom Froese, which wasn't a relationship as an accountant, wasn't a relationship as a colleague coaching kids' football, but was as a member of Tom Froese's riding association, and he indicates that he is uncritical of government policies.

I don't think the Niagara Regional Police Services Board can handle yet another member whose goal and objective on the police services board will be to defend and advance this government's policies uncritically, because this government's policies are what have created the crisis for policing in Niagara region. I urge members

of the committee — obviously I can't vote because I'm not a member of the committee but I can participate in discussion around this motion of concurrence. I suggest to you once again that Mr Bylhouwer is, no two ways about it, unabashedly a purely political appointment. His *raison d'être* for being here is that he is a faithful Conservative and he's prepared to support uncritically this government's right-wing policies, the Tory policies.

In view of that, I don't think these are the sort of people who should be on police services boards, if their only qualification is being prepared to be uncritical of this government. Police services boards need people who are sympathetic to police officers and understand the need for adequate levels of policing and staffing and who are prepared to be critical of the government in the event that the government disrupts adequate levels of servicing.

I think that's paramount. Mr Bylhouwer, as good a person as — and I don't cast any ill light on Mr Bylhouwer's personality, his background, his integrity. I have no hesitation in saying that as an individual he's probably as fine a person as you're going to meet in Niagara. But as a member of the police services board —

#### *Interjection.*

**Mr Kormos:** Please, I've already indicated that I have respect for people who become politically active, regardless of their political persuasion. It's a minority, a small element of the community that does that, and it oftentimes requires a great deal of work in terms of interrupting your personal life. I have regard for people, regardless of their political party, who engage in those sorts of activities. It's critical that that happen if we're going to even be close to being democratic. It's critical that people are prepared to do that.

But I am opposed to crass political appointments. Unfortunately, this smacks of one of those. This is political, it's pork-barrelling, at it's finest or worst, depending upon how one views political patronage. In terms of the crisis that we're having in policing in Niagara, it's totally unsuitable at this time.

#### 1140

**Mr Beaubien:** My comments are not going to be as long. First of all, I'd like to acknowledge that my colleague Mr Kormos, an individual who used to drive a red Corvette, wore cowboy boots and still wears them, can't be that bad of a guy.

However, I wonder what he's afraid of in Mr Bylhouwer when he takes 20 minutes and closes by saying Mr Bylhouwer is a fine person and it's probably difficult to find a better one in the Niagara region. I would strongly suggest that the only thing Mr Kormos finds despicable about Mr Bylhouwer is that he belongs to the Conservative political party.

If we look at his CV, it says, "Other achievements." He's a qualified chartered accountant. He says he completed three years in the CICA, whatever that is, in-depth tax course in 1988. He's chairman of the Windsor GST discussion group and he's a member of the Windsor Chamber of Commerce tax and finance committee. His interests are "hiking, gardening and reading, participating



in on-campus and off-campus school events with my children." A pretty bland, responsible Ontarian, as far as I'm concerned, with sound accounting principles.

With regard to downloading and \$18 million in new taxes, Mr Bylhouwer is applying for the position of — it says, "Agency: Regional Municipality of Niagara Police Services Board." I think in that position his responsibility is to be responsible in looking after policy, probably making sure they have the proper staffing, the proper funding, in communication with the regional municipality of Niagara. But when it comes to looking at the downloading, that's not their responsibility. His responsibility is to make sure that the community is well protected, to the best of their abilities.

With regard to Mr Bylhouwer not having mentioned that he belongs to a political party, he probably belongs to church groups, volunteer groups, service clubs. They're not mentioned over there; nobody has asked him that question. With regard to pork-barrelling, I don't know; somebody said the position pays \$60 a meeting. If that is really pork-barrelling, there is not too much fat on the pork.

**Mr Gravelle:** I'd just like to state very quickly that the Ontario Liberals will not be supporting Mr Bylhouwer's nomination either for this particular position. Quite frankly, I cannot pretend myself to have awareness of the situation in Niagara, as Mr Kormos does or as my colleague Mr Bradley does, and unfortunately he's not here to express it. He had to go to another meeting.

I will also say that we do not take particular exception to the political party that one belongs to, but in Mr Bylhouwer's case I think what was very apparent, unfortunately, was that not only was he remarkably uncritical of some of the aspects of what this government has done in terms of policing and protection of people in this province, but he had difficulty being forthright at all — I think it was rather apparent in his responses — and in some ways also appeared to be surprisingly uninformed, which was startling. He had some real difficulty being as straightforward as we would have expected. Mr Kormos gives him more credit than I would in that sense. I felt that in many ways he was not forthright, he was rather vague and he had some difficulty taking a position on any of the issues that were brought forward.

We recognize that this is a very important position. These are not large boards and any one appointment can make a significant difference in terms of what decisions are made. Clearly, on the basis that we think it's extremely important that this person be very sensitive to the issues that obviously are taking place in the Niagara region, we will not be supporting his nomination.

**Mr Kormos:** Just very briefly, I encourage Mr Beaubien to insist that his lawyers prepare him as thoroughly as possible for cross-examination. He should let his lawyers know that he expects many hours of preparation if he's going to survive the rigours.

**Mr Marchese:** A few quick reactions to M. Beaubien: He should recall that trustees of various boards across Ontario only earn now, under these guys, \$5,000. These people have to go through elections. In other words, they

have to knock on doors, a lot of doors, because they cover a lot of ground, for \$5,000. It's a big responsibility. But I guess \$6,000 is OK for a non-elected position. I thought I'd draw that comparison as a way of indicating how badly we are serving our constituents through an elected position such as school trustees, and would remind them that it's a very important position and they only earn \$5,000 for that.

The point I want to make is, and Mr Kormos has touched on all of these, I have no doubt that Mr Bylhouwer was rather nervous with the tough cross-examination by Mr Kormos. He was nervous, quite clearly — I would be — so some of the answers to those questions would indicate that kind of nervousness. That doesn't bother me. That's not the issue for me. But Mr Kormos has brought a good test to this issue in terms of asking Tory appointees — because 99.9% are all Tories, by and large, with some exceptions, and I don't mind that. I've often said that is likely to be the case. My only concern was when these Tories were here on this side and would hammer us on our NDP appointments and we never got any praise for the 50% or 60% of the people who were non-NDPers. But that's another matter.

The concern of this test is, if you are a Tory, we expect you to be somewhat critical of some of the agenda of the government. I would assume that some of you would expect that as well. Mr Bylhouwer was not critical at all of it. He was in fact unwavering in his support most completely. That's the concern that Mr Kormos raises and that I raise and it's in that regard that I find it difficult to support Mr Bylhouwer.

**Mr Marchese:** Can we have a recorded vote.

**The Chair:** There's been a request for a recorded vote. The motion is for concurrence in the appointment of Mr John Bylhouwer, intended appointee as member of the Regional Municipality of Niagara Police Services Board.

#### Ayes

Grimmett, Beaubien, Newman, Bob Wood, Preston.

#### Nays

Gravelle, Marchese.

**The Chair:** The motion carries.

On the subcommittee report we adopted this morning from Thursday, October 8, one other person who had been selected for consideration. Mr Gary Reinblatt, an intended appointee to the Ontario Casino Corp board of directors, was unable to be scheduled for today. There is unanimous consent of the three parties to extend the deadline and the clerk's office is working at trying to get a meeting scheduled for November 4. That's a question mark. It's not confirmed yet, but we will be in touch with you on that.

There will be a meeting scheduled for next week to deal with the deferred motion on Mr Perpik's appointment. Anything further? Adjourned.

*The committee adjourned at 1148.*

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### STANDING COMMITTEE ON GOVERNMENT AGENCIES

#### **Chair / Présidente**

Ms Frances Lankin (Beaches-Woodbine ND)

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Mr Alex Cullen (Ottawa West / -Ouest Ind)

Mr Michael Gravelle (Port Arthur L)

Mr Bill Grimmett (Muskoka-Georgian Bay / Muskoka-Baie-Georgienne PC)

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Mr Rosario Marchese (Fort York ND)

Mr Dan Newman (Scarborough Centre / -Centre PC)

Mr Joseph Spina (Brampton North / -Nord PC)

Mr R. Gary Stewart (Peterborough PC)

#### **Substitutions / Membres remplaçants**

Mr Marcel Beaubien (Lambton PC)

Mr Peter L. Preston (Brant-Haldimand PC)

Mr Bob Wood (London South / -Sud PC)

#### **Also taking part / Autres participants et participantes**

Mr Peter Kormos (Welland-Thorold ND)

#### **Clerk / Greffier**

Mr Tom Prins

#### **Staff / Personnel**

Mr David Pond, research officer, Legislative Research Service









## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 28 October 1998

Mercredi 28 octobre 1998

*The committee met at 1004 in room 228.*

## SUBCOMMITTEE REPORT

**The Chair (Ms Frances Lankin):** I call the meeting to order, please.

The first item on the agenda is the subcommittee report of Thursday, October 22, 1998. That's set out in front of you.

Could I have a motion to accept that report, please.

**Mr Joseph Spina (Brampton North):** So moved, Chair.

**The Chair:** Is there any discussion?

All those in favour, please indicate. Those opposed? Carried.

## INTENDED APPOINTMENTS

## NICHOLAS PERPICK

Review of intended appointment, selected by official opposition party: Nicholas Perpick, intended appointee as member, Ontario Casino Corp board of directors.

**The Chair:** The next item is the deferred vote on concurrence in the intended appointment of Mr Nicholas Perpick, intended appointee as a member of the Ontario Casino Corp board of directors. Is there a motion with respect to this appointment?

**Mr Marcel Beaubien (Lambton):** I move concurrence on Mr Nicholas Perpick as an appointee to the Ontario Casino Corp board of directors.

**The Chair:** Is there any discussion or debate? Seeing none, we'll move to a vote.

All those in favour, please indicate. Those opposed. The motion is carried.

There appears to be no other business to be done.

**Mr Peter L. Preston (Brant-Haldimand):** I move to adjourn.

**The Chair:** You move to adjourn. I think it's accepted. People are voting with their feet. The meeting is adjourned.

*The meeting adjourned at 1005.*

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Wednesday 28 October 1998

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### STANDING COMMITTEE ON GOVERNMENT AGENCIES

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Mr Dan Newman (Scarborough Centre / -Centre PC)

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Mr R. Gary Stewart (Peterborough PC)

#### **Substitutions / Membres remplaçants**

Mr Marcel Beaubien (Lambton PC)

Mr Blain K. Morin (Carleton East / -Est L)

Mr Peter L. Preston (Brant-Haldimand PC)

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#### **Clerk pro tem / Greffier par intérim**

Mr Douglas Arnott

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 4 November 1998

Mercredi 4 novembre 1998

*The committee met at 1010 in room 228.*

## SUBCOMMITTEE REPORT

**The Vice-Chair (Mr Rosario Marchese):** We'll call the meeting to order. We've got a report of the subcommittee on committee business dated Thursday, October 29, 1998. Do we have a mover for that report?

**Mr Bill Grimmett (Muskoka-Georgian Bay):** So moved.

**The Vice-Chair:** Any discussion on that report? Carried? Carried.

## INTENDED APPOINTMENTS

## GARY REINBLATT

Review of intended appointment, selected by official opposition party: Gary Reinblatt, intended appointee as member, Ontario Casino Corp board of directors.

**Mr Gary Reinblatt:** I'd like to make about a minute of opening statements.

First of all, it's my pleasure to be here and to be considered for appointment to the Ontario Casino Corp. I really believe that I could make a very positive contribution. I'd also like to thank the committee because I understand they granted a special extension for me and I appreciate that.

I really feel I have the qualifications to sit on this board. For about 23 years I was head of the marketing department of McDonald's Restaurants of Canada. When we started, it was a very small company and it turned into a very large and very successful company.

About eight and a half years ago I had a very severe spinal cord injury in a skiing accident, and I'm actually a medical miracle. When I started, all I could do was shrug my shoulders. I spent just over a year at Lyndhurst Hospital and, frankly, that got me to where I am today. I could have made millions of dollars betting the doctors on where I would be.

When I got back to McDonald's I realized what I could and what I couldn't do, and what I couldn't do is work 55 hours a week and go and travel the world. For the last four years I've worked as a marketing consultant — thankfully, it has worked out very well — working for companies such as the Sports Network, Nestlé, Canadian Tire, the Santa Claus Parade, International Management Group etc.

My *modus operandi* is a different set of eyes. I go into companies and work on strategic marketing plans.

Throughout my whole business life I've always believed in keeping my life in perspective and I've always put myself on various boards. Sometimes they're community service boards such as the United Way, sometimes they're professional boards like the Association of Canadian Advertisers, sometimes they're boards that are completely outside the realm of my expertise. For about five years I was on the board of the Metropolitan Toronto Convention and Visitors' Association. Presently, I'm on the board of the North York General Hospital, and I've served on other boards.

There's one final thing I'd like to say, and I'll never have a chance to say it anywhere else but here. I have been credited by the late Jack Ackroyd, who was at that time the head of the LCBO, with being the catalyst for bringing the LCBO into the 20th century. As I said, I'll never have another chance to say that. If you want to ask further questions about that, you can.

On a personal note, I just celebrated my 25th wedding anniversary. I'm married with two children, ages 24 and 21. I'd love to answer any questions you may have.

**The Chair (Ms Frances Lankin):** Thank you very much, Mr Reinblatt. My apologies to the committee for my lateness. We're going to begin questioning with the third party. You have about eight minutes.

**Mr Rosario Marchese (Fort York):** Welcome, Mr Reinblatt. It's good to have you here in this committee. I was particularly impressed by the quotations that are at the bottom of your CV. One of them says, "Never be afraid of life," and the other one is, "I could have made millions of dollars betting the doctors on my recovery." From the second one it appears to me that you're a gambling man and that's why you're here. Is that it?

**Mr Reinblatt:** No. I made a decision about two days after I had this accident. You have to understand, all I could do was shrug my shoulders. My father never made a lot of money but he did teach me one thing: Never be afraid of life, just go get it and make the most out of life, and that's what I've done. Frankly, it's why I'm where I am today. I've always been one to speak my mind, to make a point and so on. I'm not a gambling man. What I am is someone who weighs the possibilities and makes decisions. I guess that's the way to put it.

**Mr Marchese:** I appreciate that. I just think that quotation seems to typify your life and, in my view, that's



a good characteristic of you as a person and it should be a quotation that typifies most of us, but it's never the case for everyone.

Your marketing skills in your CV are notable and you plan to bring some of those marketing skills to the corporation. What do you think you might be able to do or want to do vis-à-vis your skills and the corporation?

**Mr Reinblatt:** The fact is that if the Ontario government has decided to be in the casino business, then the idea is that they should go out and maximize the possibilities. Very shortly, in southwestern Ontario, Windsor, we're about to be in a share battle, which is typical of any business. We have to go out there and maximize the share, maximize the investment to the province of Ontario and therefore to the people of Ontario. I believe I could be helpful with that. I don't have to tell you that in the quick service restaurant business it's a share battle every single day.

**Mr Marchese:** I believe that, except, for me, gambling isn't a typical type of business. It is there, obviously. We are engaged in it as a government and the population is engaged in this discussion as well: for or against. I was one who supported a project casino, just to experiment, see how it goes, manage it as best we can, test that out for a couple of years, and based on that experience, see whether we should be going further. Obviously we are moving in the direction of having further additional casinos, and that worries me a great deal.

It worries me because, as a government, we are using this as a form of raising a whole lot of money, but it comes from somewhere, it comes from people, and there are a whole lot of people who believe that maybe they can be the lucky ones, that they can make the millions through these games. By giving up some of the money they've got, they can do it. I think it's a losing strategy. You basically lose money when you go to casinos; that's why they are there. So it's not so typical for me in terms of the kind of business I think we should be in. What do you think about that?

**Mr Reinblatt:** The fact is that if you decide you're in the business, you have to make the decision that you're, in essence, in the business. What you're doing is listening to the people, and the people obviously are very responsive to the casinos; they go to the casinos. The net result is that we have a great, very favourable balance of trade in the casino business, meaning that we're pulling more money from outside of the province than we are gaining inside the province. Any time you can do that, we are in great shape.

It's like when people come and stay at a hotel, they pay provincial sales tax. You want to make sure that we're receiving more provincial sales tax from people outside of Ontario than people going to Florida and paying in the state of Florida for taxes. That's also, in the tourism business, an example of a share battle. The fact is that we are doing nothing but responding to people's needs and wants, and we should do it.

**The Chair:** Last question, Mr Marchese.

**Mr Marchese:** Obviously, the US — sorry, I'm just trying to catch up here with the problem that we're going

to have in Windsor. There's going to be great competition from Detroit. They're probably going to be building several casinos. We get 80% of the people from the US, clearly, and so Mr Barbaro, the president, is saying we need to expand our own casino operations and perhaps have one more. I'm a bit wary of that, but I guess from the things you've been saying, we may have to do that. As far as you're concerned, that's OK?

**Mr Reinblatt:** The answer is that we might. I do not know whether we have to build a second casino. The one thing I do know from the restaurant business is that there's a little thing called impact, and you don't want to turn one winner into two losers.

**Mr Marchese:** Good luck, Mr Reinblatt.

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**Mr Grimmett:** Welcome, Mr Reinblatt. You certainly have a very impressive background that you bring to this position and I want to ask you about the business that you currently operate. You're in a consulting business and I take it that you're no longer affiliated with McDonald's?

**Mr Reinblatt:** I'm officially on a leave of absence from McDonald's. Yes, that is correct. The only direct affiliation I have is that I sit on the board of Ronald McDonald Children's Charities.

**Mr Grimmett:** Do you consult to the restaurant and food business at all?

**Mr Reinblatt:** No, I do not consult to that business. That's one thing I've stayed completely out of.

**Mr Grimmett:** I see. What kind of businesses are you typically consulting with, then?

**Mr Reinblatt:** My clients right now are the Bank of Montreal. The project we're working on right now is the merger with the Royal Bank. I'm working on the strategic planning to help get the merger through. I worked with the Santa Claus Parade two years ago. The Santa Claus Parade, which goes right by the front door here in two weeks, was in a little trouble; it only had 15 sponsors. They brought me in to help work with the sponsors. Today, we have 22 sponsors. The parade is sold out for the next two years, and then the contracts come up for renewal. It has never been in better shape.

I also work with a company called International Management Group to help sell sponsorships for various events. I work with Canadian Tire. Actually, I'm helping them form the Canadian Tire child foundation, to help with good work. I've worked with Nestlé's a little bit in their food service area. Bell Mobility is another. I'm working with them on their strategic marketing planning.

Getting back to the answer, I have made a decision that I will not work for anything in the restaurant business. I have too much loyalty.

**Mr Grimmett:** In the operation of the casino corporation, I take it you've had an opportunity to speak to someone at that corporation about the type of things you might be doing on the board?

**Mr Reinblatt:** Not really. I had one conversation with Mr Barbaro. I know that they want me on there for my marketing expertise, and that's what I —



**Mr Grimmer:** Could you comment on the potential conflict that might arise in regard to your own business and how you might deal with that?

**Mr Reinblatt:** I do not foresee any conflict. Through my whole business life I've been very, very cognizant of my reputation and I want to keep it that way. I do not see any conflict at all, and I've thought about this.

**Mr Joseph Spina (Brampton North):** Mr Reinblatt, thank you for coming. I have great admiration for not just your business but also your personal achievement and congratulate you for that. There are many people who have tried and not succeeded and others who have tried and succeeded, and it's the motivation that people like you can provide that helps other people succeed.

I want to ask you about, along similar lines to Mr Grimmer, when you talk about your consulting clients, it appears as if you have focused more on assisting the corporate community in developing their charitable side, or charitable projects. Is that just circumstance?

**Mr Reinblatt:** How do I say it? If you take a company like Canadian Tire, they asked me to come in and work on their charitable organization and that's just where I went into the niche. In the case of Bank of Montreal, I don't do anything with regard to their charitable organization. That just happened to be the project that I was called in on.

**Mr Grimmer:** I thought you were a charitable organization.

**Mr Reinblatt:** They don't think so.

**Mr Spina:** Along that line, then, do you feel it's a high level of importance for the casino corporation to be concerned, shall we say, with the impact on the community and perhaps look at how proceeds might be able to assist some of the social development needs of the community?

**Mr Reinblatt:** Absolutely. The fact is that this money belongs to the people of Ontario. It has come in and it should be spent in the best way possible, and if some of that includes the social needs, especially in the local communities, then I'm all in favour of that.

**Mr Spina:** Mr Reinblatt, thank you very much. I wish you every success.

**Mr Michael Gravelle (Port Arthur):** Good morning, Mr Reinblatt. It certainly is a very impressive story in terms of your personal life and a remarkable recovery, as you said, a miracle in many ways. Mr Reinblatt, I am curious, did you seek out the position or were you approached by someone to take this position?

**Mr Reinblatt:** Mr Barbaro did call me and did speak out, but let's just say that it was a conversation that was of mutual interest, not a huge arm-twist.

**Mr Gravelle:** As you said earlier, it was because of your marketing expertise and in essence because of the challenges you face.

If I may move into another area, I want to ask you what you think of the involvement of the private sector in terms of running casinos. We do have the report that was just leaked recently in terms of the Ontario Lottery Corp lawyers who spoke of the fact that Ontario was breaking the law by allowing private operators to run the casinos — I would like to have your thoughts on that — in essence

contravening the Criminal Code by having somebody other than charities and the government having the benefits. What are your thoughts on that?

**Mr Reinblatt:** I cannot comment on the legal ramifications because I'm not familiar with the law and what's happening. However, I am in favour of having a private organization manage the casino because I believe that will bring in the maximum return to the province. They have incredible expertise and really know how to run the casino both internally, the operation of the casino, and externally, the marketing of the casino. As far as the legal end is concerned I can't comment because — the good news is I'm not a lawyer.

**Mr Gravelle:** It was a startling report to be seen, though. I take it you were as startled as most of us were to have this report become public.

**Mr Reinblatt:** Again, I can't comment.

**Mr Gravelle:** Can we talk a little bit about what your thoughts are on the expansion of gambling in the province. We have gone through quite a process and we are now at the stage where four other casinos will be opened, all things being equal, in the province and will be run by the Ontario Lottery Corp which, in some ways, flies in the face of the government saying, "We don't think we have the expertise to do it which is why we think there should be private operators involved." That strikes me as a looming contradiction. I'm curious about your thoughts on that.

**Mr Reinblatt:** Like you say, it's an incongruity, I would agree. The expansion has to make economic sense, and I really believe that if all we're doing is taking money from ourselves, I would look at it very carefully. On the other hand, for example, there's a casino in Hull. I know the size of the market in Hull and that's only some of their market; their big market sits in Nepean, Ottawa, Stittsville. That's where their market is and they're taking money from us, the citizens of Ontario. If it makes economic sense and there's at least a net import effect, then I would look at it carefully. As for the vagaries of the Ontario Lottery Corp running four casinos and the OCC, that is something that has to be worked out. Let's just say it's an incongruity.

**Mr Gravelle:** I appreciate your opinion very much. I know that in my home town of Thunder Bay that's one of the locations that has been chosen by the government. There was a plebiscite or referendum on it and the community agreed that they would support a charity casino as opposed to a commercial casino, which brings us into another strange part of the reality that these charity casinos are, in essence, licensed as commercial casinos and aren't charity casinos, and that causes more concern. It should cause concern among all members of the public, I think, and I take it you share that concern.

**Mr Reinblatt:** As a member of the Ontario Casino Corp board, I would like to see consistency across the province; yes, I would.

**Mr Gravelle:** Again, if that whole concept of the cannibalization of the local economy becomes a factor, if indeed it's an operation that's set up, that takes money

from within, as you say, does not have much activity imported from outside, more than anything else it's just a way for the government to gain revenues, I guess, is our position.

**Mr Reinblatt:** You have to look at the entire economics of it. I know for a fact that a casino is not a gimme. I mean, I was in New Orleans about a year and a half ago and there was this huge building that was never opened. It was supposed to be the world's largest casino. It never opened. It's not a gimme. I do not know but I believe the Great Blue Heron — is that the name of it? — Casino is not a money-maker. I believe that. I don't know this. I've never been there, in Port Perry. It is not, to use the vernacular, a slam dunk. You have to think it out and make it happen.

**Mr Gravelle:** Can I take from your remarks then the fact that the government has decided that the Ontario Lottery Corp itself will be running these four locations is something that you don't think is probably a good idea?

**Mr Reinblatt:** I don't know if it's a good idea, I just stand by my statement that it's incongruous and perhaps should be looked at.

**The Chair:** Thank you for joining us today, Mr Reinblatt. That's the end of the official process and we'll be moving with the committee to voting on a motion with respect to your intended appointment.

**Mr Grimmett:** I move a motion of concurrence, Madam Chair.

**The Chair:** We have a motion of concurrence in the intended appointment of Gary Reinblatt as a member of the Ontario Casino Corp board of directors.

**Mr Bert Johnson (Perth):** I would like a recorded vote, please.

**The Chair:** All those in favour please signify.

#### Ayes

Boushy, Gravelle, Grimmett, Bert Johnson, Marchese, Newman, Spina.

**The Chair:** It's a unanimous recommendation, concurrent. Thank you again for joining us today.

Seeing no other items of business, the meeting is adjourned.

*The committee adjourned at 1032.*





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#### **Vice-Chair / Vice-Président**

Mr Rosario Marchese (Fort York ND)

Mr John Gerretsen (Kingston and The Islands / Kingston et Les Îles L)

Mr Michael Gravelle (Port Arthur L)

Mr Bill Grimmett (Muskoka-Georgian Bay / Muskoka-Baie-Georgienne PC)

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## Legislative Assembly of Ontario

Second Session, 36<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 25 November 1998

# Journal des débats (Hansard)

Mercredi 25 novembre 1998

## Standing committee on government agencies

Intended appointments

## Comité permanent des organismes gouvernementaux

Nominations prévues



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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 25 November 1998

Mercredi 25 novembre 1998

*The committee met at 1002 in room 228.*

## SUBCOMMITTEE REPORT

**The Chair (Ms Frances Lankin):** I call the meeting to order. The first item of committee business on the agenda is to deal with the report of the subcommittee dated Thursday, November 12, 1998. May I have a motion to adopt that?

**Mr Bill Grimmett (Muskoka-Georgian Bay):** I so move.

**The Chair:** Mr Grimmett, thank you. Is there any discussion or debate? Seeing none, all those in favour, please indicate? Opposed? That's carried.

## INTENDED APPOINTMENTS

## MARTHA MINOGUE-FIORINO

Review of intended appointment, selected by official opposition party: Martha Minogue-Fiorino, intended appointee as member, Council of the College of Dental Technologists of Ontario.

**The Chair:** The next order of business is the interview of the intended appointment to the Council of the College of Dental Technologists of Ontario, Martha Minogue-Fiorino. Welcome. It's nice to see you here. If you have any opening comments that you would like to make to the committee, please feel free to do so at this time.

**Ms Martha Minogue-Fiorino:** Good morning, Madam Chair and members of this committee. I would like to begin by thanking you for giving me this opportunity to appear before you to tell you a little about myself and to answer any queries you may have regarding my proposed appointment to the College of Dental Technologists.

I'm a resident of Amherstburg, which is a small, historic town of 20,000 souls situated on the scenic shores of Lake Erie and the Detroit River. I am a freelance conference interpreter. I'm a member of the International Association of Conference Interpreters and the Canadian association. I've been working in this profession over 20 years, since 1977. My language combination is English, French, Spanish and Italian.

At the outset of my career, I selected medicine as my specialization, partly because I was interested in the field of medicine and also because there is quite a shortage of

interpreters specialized in that field, which is quite difficult. I have worked there considerably, at various international medical conferences relating to various branches of medicine. I was fortunate to be on the list of various international organizations, UN agencies, European institutions, and I've worked for a number of government bodies and ministries.

My assignment at the UN agency in Rome, the FAO, the Food and Agricultural Organization, gave me an understanding of many issues, for instance, issues pertaining to the eradication of hunger, deforestation, environmental issues, trade, emergency aid, relief of different sorts.

I have also worked considerably for the Council of Europe. This is a European institution with close to 50 member states. I was recruited on a fairly regular basis at meetings up to ministerial level. I've done various meetings for this organization of ministers of labour, ministers of justice, ministers of the environment etc. I have also been recruited to work at the European Court of Human Rights in Strasbourg.

I have acquired a certain understanding of law as a result of my work since the 1980s for UNIDROIT, an international organization for the unification of private law. This organization drafts international legal instruments and legal conventions on a variety of issues in the private law sector. Its last diplomatic conference, for which I organized the interpretation services, was held in Rome in 1994. It was attended by some 168 states and dealt with the adoption of an international convention on the protection of and restitution of stolen and illegally exported cultural objects.

I've also worked extensively for Vatican institutions that deal with social issues and international relief. I've worked for justice and peace, the Pontifical Council for the Laity and the Pontifical Missionary Societies, so that has given me some insight into social issues.

My work in Canada has mostly been in connection with NAFTA meetings and various international meetings held throughout the country.

I would like to tell you a little about my volunteer work and my involvement in the community. I am a volunteer at the Windsor refugee centre, and there I assist individuals who don't speak English or speak very little English. I help to explain to them matters pertaining to their application or to their appeal or the rejection of their appeal,

and I usually accompany them to various appointments in different parts of the city.

I have also been involved in the planning and setting up of the Windsor children's health care network. This network stemmed from the initiative of a local well-known pediatrician who thought it was important to put under the same roof a number of integrated health care services for emotionally disturbed children and children in distress.

I'm also a member of the school council at the school that my son attends. I've been instrumental in promoting a number of initiatives in this new school council. I was appointed by the Amherstburg municipal council to the recreation committee, the Ranta marina committee, and the local architectural advisory committee. These are non-remunerated positions. I'm particularly interested in the architectural committee, because I have a keen interest in the protection and conservation of cultural property.

As to my own personal interests and leisure time activities, I enjoy music, I play the harp, I sing in the church choir and I'm an avid reader.

With that, I hope I've given you some idea about myself.

**The Chair:** Thank you very much, Ms Minogue-Fiorino. We will begin questioning with the New Democratic Party.

**Mr Rosario Marchese (Fort York):** Welcome, Ms Minogue-Fiorino to this committee. I've got to tell you, I am always fascinated by those who are able to do simultaneous translations. Although I studied French and became a teacher of French and English, I always found it difficult to do translations. It takes a great deal of work and skill to be able to do that. How did you find that work in the beginning?

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**Ms Minogue-Fiorino:** I was interested in languages because I had studied French and Spanish in primary and secondary school. I came to know more a little more about this sector of interpretation. I pursued my studies; I studied to train for simultaneous interpreter up to the age of 26.

**Mr Marchese:** Was it difficult, is the question I asked.

**Ms Minogue-Fiorino:** Yes, extremely difficult. It is, as you said yourself, quite a difficult profession; it demands a great deal of concentration. You have to have quite a good general knowledge of various issues: economic issues, social issues, a whole variety. You need quite a good general knowledge. You have to read extensively, keep preparing a lot of documentation all the time.

**Mr Marchese:** I just find that if I have to interpret for someone as they speak, it's really very complicated. You get lost immediately. Does that ever happen to you?

**Ms Minogue-Fiorino:** That's part of our training. You're forced to listen very carefully and speak at the same time. It's just a matter of training, like many other professions.

**Mr Marchese:** Your involvement in those organizations that you list at the back, international organizations, was mostly as an interpreter?

**Ms Minogue-Fiorino:** It was exclusively as an interpreter.

**Mr Marchese:** Do you do translations as well?

**Ms Minogue-Fiorino:** I do a small amount of actual written translation work. It only accounts for about 5% or 10% of my actual work.

**Mr Marchese:** OK, so it's mostly interpretation. As you interpret in those meetings, do you find that you also remember what you interpret or not?

**Ms Minogue-Fiorino:** First of all, before you go into a meeting you usually have to spend a number of days, at least; depending on the intricacies of the subject matter, you have to spend numerous days, sometimes a week or two weeks, preparing voluminous technical documentation, because you can't go in ignorant of the subject matter. You can't interpret correctly unless you're fairly familiar with all the background documentation. You have to prepare for it. You do, obviously, gain a certain understanding of these issues, too, at the meeting.

**Mr Marchese:** You said as part of your introduction that you had an interest in the medical, either research or medicine generally, and you did medical interpreting — a great deal of that?

**Ms Minogue-Fiorino:** A great deal. I usually did between two and three medical conferences a month.

**Mr Marchese:** Your interest in this College of Dental Technologists is interesting to me as well. It wouldn't be something that I would find very exciting. Even a word like "fabricating" is almost a turnoff. How did you find this interest in this particular college?

**Ms Minogue-Fiorino:** I did not apply for that specific position. I didn't apply for any specific position. I indicated my interest in an appointment, in serving on a board, and I was proposed for the College of Dental Technologists.

**Mr Marchese:** So somebody talked to you about this particular college in terms of an interest?

**Ms Minogue-Fiorino:** No. I was called and told that I'd been proposed for the College of Dental Technologists on the basis of my —

**Mr Marchese:** Called by whom?

**Ms Minogue-Fiorino:** By an individual at the public appointments office.

**Mr Marchese:** That's great. Can I ask you — it's of interest to me, because while the New Democrats were in government, we used to worry about appointing New Democrats because we knew that Liberals and Tories would haul all the New Democrats in as soon as they smelled a potential New Democratic Party member. Under Bob Rae, we were very cautious about how many people we appointed who might have had social democratic leanings. In fact, probably 90% we appointed were their buddies or their buddies over here, but it didn't seem to matter. These folks here seem to like to appoint only Tory types of appointments. Just as a question, how do you feel about that?

**Ms Minogue-Fiorino:** How do I feel about —

**Mr Marchese:** About the fact that the Conservative government members are unabashedly fearless in their appointment simply of Tory types of candidates most of the time. Would that bother you?



**Ms Minogue-Fiorino:** Are 100% of the appointees put forward by the government?

**Mr Marchese:** Well, the appointments are made by the ministries, of course, and I would say that 99% of them are very much affiliated with the Conservative Party. How do you feel about that?

**Ms Minogue-Fiorino:** I think what's important are the qualifications of the individual and that the individual has an interest in making a contribution in serving the public interest. I think that's what matters most of all, regardless of who they are put forward by.

**Mr Marchese:** I just wanted your personal opinion in that regard, not to question your own skills, because I find you very qualified to do the job. I wish you the best in this appointment. I think you'll do very well.

**The Chair:** Thank you very much. We'll move to the government members.

**Mr Grimmett:** Good morning, Mrs Fiorino. Welcome. The question about the dental technologists — I wonder if you've had any interaction with people in that field.

**Ms Minogue-Fiorino:** Personal interaction: not prior to my proposed appointment, because dental technologists, from what I gather, deal directly with dentists. So there's no relationship between a public individual and a dental technologist when they require some dental work. My only contact, following up on my proposed appointment, was with the registrar of the college to gain a little information pertaining to the college and its activities.

**Mr Grimmett:** So you've done that and you have some understanding of the responsibilities this job would have.

**Ms Minogue-Fiorino:** Yes indeed.

**Mr Grimmett:** Do you see any possible problem with your current work schedule?

**Ms Minogue-Fiorino:** No, because as a freelancer, I'm free to accept assignments or to refuse them. This isn't a profession that you can perform every day. In fact, most interpreters work between 80 and 100 days a year.

**Mr Grimmett:** I'm sure the board would be enthusiastic about having a harpist come on board. I just wondered if any of your background in the community might — I'd like to have your view on whether that might put you in a position to provide a different view than perhaps is on the board now. Have you had any opportunity to talk to people on the board as to what your background might be able to help them with?

**Ms Minogue-Fiorino:** No. I've had absolutely no opportunity to do that. I was just made aware very recently of this proposed appointment, so I've not had an opportunity to speak or meet with anyone.

**The Chair:** We move to the Liberal Party.

**Mr Michael Gravelle (Port Arthur):** Good morning, Ms Minogue-Fiorino. Your professional background is really impressive. Your activities in a personal sense, in terms of your involvement in the community, are marvelous. It does lead one — I think Mr Marchese was

referring to it as well — to wonder why you weren't being appointed to some other organization where some of the activities you've been involved in would apply. Did you indicate to someone that you were interested in serving in some capacity? May I ask you who it was? Or did you indicate it to anybody?

**Ms Minogue-Fiorino:** I submitted an application and my resumé to the department responsible for public appointments. I didn't request any specific vacancy or any specific post.

**Mr Gravelle:** I take it, then, that you're quite happy to be placed in this particular position. I don't want to, by any means, minimize the importance of this board and agency. It just does not seem to be one, necessarily — although, with your background in terms of translation for medical, it makes some sense. In that sense, you're quite happy to be appointed to this position?

**Ms Minogue-Fiorino:** Yes. It gives me an opportunity to serve and to serve in a new area. It would be a new interest for me. Yes, I am interested indeed.

**Mr Gravelle:** I must admit, you will be well qualified. Have you got a sense of what it is that you want to accomplish in terms of your time on this board?

**Ms Minogue-Fiorino:** I certainly want to make a contribution and I want to ensure that the interests of the public are served. I'd like to make sure that matters are handled with fairness and integrity when it comes to decision-making. I'd like to make sure that the interests of the public are taken into due account.

**Mr Gravelle:** Thank you very much. I wish you well.

**The Chair:** Ms Minogue-Fiorino, we appreciate your joining us here today. The committee will now be taking a decision with respect to this. Thank you.

**Mr Marchese:** I move concurrence, Madam Chair.

**The Chair:** OK, we have a motion for concurrence in the intended appointment of Ms Martha Minogue-Fiorino as an intended appointee to the Council of College of Dental Technologists of Ontario. Is there any discussion or debate?

**Mr Toby Barrett (Norfolk):** I ask for a recorded vote, please.

**The Chair:** Any further discussion or debate? Seeing none, all those in favour, please indicate.

### Ayes

Barrett, Gravelle, Grimmett, Marchese, Munro, Newman, Stewart.

**The Chair:** Thank you. That's unanimous. That's carried.

Again, we appreciate your joining us and taking the time today. Good luck. I hope you enjoy your appointment.

**Ms Minogue-Fiorino:** Thank you very much.

*The committee adjourned at 1019.*

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## Legislative Assembly of Ontario

Second Session, 36<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 36<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 16 December 1998

# Journal des débats (Hansard)

Mercredi 16 novembre 1998

**Standing committee on  
government agencies**

Intended appointments

**Comité permanent des  
organismes gouvernementaux**

Nominations prévues



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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GOVERNMENT AGENCIESCOMITÉ PERMANENT DES  
ORGANISMES GOUVERNEMENTAUX

Wednesday 16 December 1998

Mercredi 16 novembre 1998

*The committee met at 1003 in room 228.*

## SUBCOMMITTEE REPORTS

**The Vice-Chair (Mr Rosario Marchese):** I call the meeting to order. I request a motion to adopt the subcommittee report dated Thursday, November 26. That's moved by Mr Grimmett. All in favour? Any opposed? That carries.

Report of the subcommittee on committee business dated Thursday, December 3: Do I have a motion to adopt? Mr Grimmett. All in favour? Any opposed? That carries.

Report of the subcommittee on committee business dated Thursday, December 10: Is there a motion to adopt? Mr Grimmett again. Wow, we're on a roll. All in favour? Any opposed? That carries.

You see, Ms Lessif, how easy it is on this committee.

**Mr Michael Gravelle (Port Arthur):** Chair, I just want to have some sense that we'll have an opportunity to discuss whether we will be able to sit during the break period. Will that be happening after we do this?

**The Vice-Chair:** I hadn't anticipated that, but maybe we should, yes. We'll discuss it after in the subcommittee.

**Mr Bill Grimmett (Muskoka-Georgian Bay):** We'll be asking the House leaders to allow us to do that.

**Mr Gravelle:** I just want to be assured of that.

**The Vice-Chair:** We'll review that after.

## INTENDED APPOINTMENTS

## ELIZABETH LESSIF

Review of intended appointment, selected by official opposition: Elizabeth Lessif, intended appointee as member, Thames Valley Grant Review Board.

**The Vice-Chair:** Ms Lessif, welcome. We usually allow the intended appointments some time to give a statement, if they would like.

**Mrs Elizabeth Lessif:** I would. Committee Chair, committee members, good morning. My name is Elizabeth Lessif. I usually go by Liz; I find that less regal sounding, a little more informal. I short-formed it, to my mother's dismay, but anyway. I'm a housewife. I have a husband, John, and two great sons. Nine months ago we joined the grandparents' club, and it's just wonderful.

We have lived in Tillsonburg for 19 years. The reason we moved there from Toronto is because of a business opportunity with McDonald's Restaurants. We are a franchisee. We started out in Tillsonburg 19 years ago and it's nothing but great. I love the town; I love the community. My husband and I are very active because, as McDonald's philosophy goes, we give back to the community where we live. That's why we're there. They give so much to us.

Before I went to Tillsonburg, I moved here from Simcoe, Ontario. That's where I was born and raised. I went through a management course for a couple of years with Robert Simpson when they were in business. I ended up coordinating their Christmas gift book for 10 years. It was a wonderful experience and I loved Toronto when I was here. But I met my husband and we got married and we had this business opportunity. So we're in little old Tillsonburg, which is right back home for me, so it's kind of comfortable.

My strong aspect, through McDonald's and because of what I believe and because we are very fortunate, is to give back to the community. Over the 18 or 19 years we've been there, John and I have both been very active in volunteering our time in local events like little theatre, sports. We've done a lot with sports teams over the years. Our boys were in hockey, so you can imagine. It was great. I also joined Kinettes and the Catholic Women's League. I've been involved in fundraisers there. I have been an active member and enjoyed it very much. I was on the board of the curling club for the ladies section. It was a great experience; any time you get on a board, it is.

For 17 years, I've been involved in the Tillsonburg auxiliary. I headed up a huge fundraiser for a couple of years, based on the Hadassah bazaar extravaganza, which raises a lot of money for the hospital. Currently I'm the convenor of the HELPP tickets, the lottery break-open tickets, for the auxiliary, and for two years I was on the board of the hospital as well as president of the auxiliary. We help out with church groups, as I mentioned: the Catholic Women's League, Youth for Christ fundraisers.

We have a beautiful old home in Annandale that was built by the first mayor, E.D. Tillson. It's been restored and it's a historical house. It's an ongoing fundraiser.

We also have a wonderful arts and crafts guild in Tillsonburg that bought the two old train stations, and they give all kinds of interesting lessons for old and young. I've been involved with that fundraising.



I'm also involved in the Association for Community Living. Currently I'm on the Oxford children's aid board; I've been on for four years and I have two more years to fulfill. I really enjoy it. It goes back to helping children, which I think is so important today. Three years ago, John and I were honoured with their Jack Ross Memorial Award, which is given to people who have local involvement in helping children in the area. That was quite an honour.

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I also feel that it's certainly an honour to be nominated for an appointee for this foundation, the Ontario Trillium grant team. I'm quite honoured. I feel strongly that it's the greatest news the government at this time could offer. It's timely, it's needed, it's exciting, and the best part is that it's local people deciding on local needs and priorities. I think that's great and I really would like to be a part of it. Thank you.

**The Vice-Chair:** Thank you very much for those comments. We'll begin with Mr Gravelle with questions to you.

**Mr Gravelle:** Good morning, Ms Lessif. My name is Michael. I sometimes get it shortened to Mike, but sometimes that gets associated with not necessarily the right Mike. I also have a sister Elizabeth, who has probably done the same thing you have.

Ms Lessif, thank you very much for joining us this morning. I want to ask you a number of questions relating to this grant review team because it is an extremely important job that those representatives on that team are going to do. They're going to be making recommendations for allocation of considerable amounts of money. Do you have a sense of what percentage of the funding the Thames Valley is going to be responsible for? Have you been given any information about that?

**Mrs Lessif:** I haven't personally. All I know is that 80% of the funding will go to all local projects and organizations, and then the other 20% is province-wide. But locally, of the \$100 million, it's 80%. I guess it depends on the needs and the grant review team, but I haven't heard personally, no.

**Mr Gravelle:** How did you hear about the grant view team and how did your name come forward? I'm curious about that.

**Mrs Lessif:** I was phoned by Ernie Hardeman, our MPP for Oxford county, and was asked if I would consider this. He sent me the information. I filled it out and gave it back to him. That's how I found out.

**Mr Gravelle:** I want to ask you about your understanding of the funding framework. You mentioned 80% being recommended by the grant review team and 20% being for province-wide initiatives. What is your understanding in terms of the organizations that will be eligible for the funding? I think there's still a great deal of confusion about that.

**Mrs Lessif:** I understand it's for charities and for not-for-profit organizations. I believe things like hospitals or schools are not eligible unless they work with one of these organizations and that organization decides this need is

there; I guess they apply for it or give it from whatever they receive. That's my understanding.

**Mr Gravelle:** Are there any particular organizations that you think should receive special consideration?

**Mrs Lessif:** There are a lot of needs out there. I think if you get on this review team, you work as a team. There will be submissions for funds, and you have to look at them all individually as a review team; depending on how much money you have, you decide as a team who are the most needy. It's not my personal agenda. If you're on a team, you work as a team. You discuss the pros and cons and you make a vote, I guess, and it's the majority.

**Mr Gravelle:** I believe that one of the most important aspects of funding — and certainly the Trillium Foundation has been well known for this — is the sense of an arm's-length relationship from government. Truly, decisions are made on the basis of having no particular influence by the government of the day, whoever it may be. I want to get a sense of how you feel about that in terms of what decisions are made. How important is the arm's-length relationship in making decisions? Would you be influenced by any particular pressure that might be put on to fund certain groups? I presume you would anticipate that would not be happening. But I feel so strongly about the arm's-length relationship aspect, that you're not influenced by government, whenever people appear before our committee that's certainly a question I feel the need to ask and get a sense of from the people who are before us.

**Mrs Lessif:** I think it's important that you do separate the political aspect from this. To me, they have two different roles. I'm not that strongly politically inclined one way or another. Like I said, the grant review team has to be impartial. They get the information and they make their decisions on that line. I think it should be at arm's length from the government, even though that's where the money is coming from.

**Mr Gravelle:** Can I ask you how you feel about casinos and about charity casinos? It's obviously a very controversial issue and people have strong feelings about it on both sides of the story. What are your feelings about casinos? There have been a lot of changes in the province since the government — well, they went from the 44 casinos and now we're down to the four charity casinos, which I would submit are not charity casinos, which is no surprise. I'm sure others have heard that before from me. They really aren't, because they're licensed on a commercial basis. But having said that, I'd love your thoughts on the charity casino issue.

**Mrs Lessif:** I personally enjoy going to a casino. There are, like you said, both sides. There are some people who enjoy it and they have a budget and they don't get into trouble. There are others, unfortunately, that you know don't have that willpower, who are gamblers, and that can cause problems. But I'm not sure we can cure all those people or change them, and if they don't gamble there at the charity casinos, they're going to gamble at the race-tracks or wherever. There are all kinds of private or little places underground where they can spend their money if they wish, so I think it has to be their choice. Now,



whether something has to be put in place like in the States where they have training programs to help these people, I don't know. I'm sure that would help and that would work.

But I feel they're good in some ways. They're fun. I enjoy them. I don't know. It's the finance at times too, I think.

**Mr Gravelle:** Do you have any thoughts on whether the communities that are scheduled to open charity casinos should receive a different proportion of the funding than the communities that are not going to have casinos? The bulk of the money that goes into the casinos will not be staying in the community, and at this stage my understanding is there is no special consideration for those communities. Do you feel there should be, in terms of funding?

**Mrs Lessif:** No, I don't think so. I think it should depend on what needs are in that community. If there is a great need there, by all means; I think the team should review it and decide on that basis. This is something that may come to light; I'm sure it will. Whether there would be guidelines to make sure that if they were hurt in some way or if something needed it, maybe they would get some money — but I don't think right now, no.

**Mr Gravelle:** Do I have a little more time, Chair?

**The Vice-Chair:** One more question.

**Mr Gravelle:** Ms Lessif, in terms of your community involvement, obviously it's wonderful. All the activities you've been involved with are superior and I'm sure you'll be a fine representative.

I want to ask you, if I may, one last question. Are you concerned about the fact that it's going to be difficult — I mean competitive — with all the agencies and groups that will be coming forward? Regardless of the amount of money out there, there are going to be a lot of agencies, it seems to me, that will not be able to access it. I think it is important to have local communities, but you're going to be under a certain kind of pressure to make those decisions, and you will not be able to satisfy all the demands because this is reaching into a much wider group than previously. Have you given any thought as to how you'll handle that? In a strange kind of way that makes you a political figure, I think, which I'm sure you want to avoid. I just see that developing down the road as a result of the fact that we're going to put you in that position.

**Mrs Lessif:** With my background in Robert Simpson with that gift book, I was under a lot of pressure because we were always behind schedule. Even McDonald's, with the fast pace and all the demands that come knocking on our door daily, has put me in a position where you realize you can't please everybody. You try to please the most. You have just so many funds and you try as a team. I'm not going to be making decisions, if I get on this grant review team, by myself. It's a whole committee team effort. I think I can handle those pressures. You have to look at it logically and factually and present it to the group and discuss it. You realize you probably will have to say no to some.

**Mr Alex Cullen (Ottawa West):** Ms Lessif, thank you for coming. I have a daughter Elizabeth. I maintain her name but she shortens it as well. They do that.

Reflecting on your background, I see you've been on the children's aid society board for at least a couple of years, probably longer. It says personnel committee, two years; finance committee, two years. Also, you said you were part of the centre for community living.

**Mrs Lessif:** We're involved in fundraising every year. They used to have a sing-a-thon night and we'd buy a table and things like that. We've done that a lot in Tillsonburg where there are groups, but that was one of our favourite groups to raise funds for. We feel it's very worthwhile. We have personal friends who have a young boy who unfortunately fits in that category.

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**Mr Cullen:** I'm very familiar with these activities. I used to be on the children's aid society board in Ottawa-Carleton. The developmentally disabled community has been speaking to me in Ottawa-Carleton. You must know from both that both activities are under a lot of pressure due to funding not meeting their responsibilities or the kind of programs they want to give.

The original goal of the Trillium Foundation, when the government established it, was to provide assistance to people in Ontario who have been affected by adverse social circumstances or disabling conditions. That was the first, primary goal. The government has since added to that arts, culture, sports and recreation, economic development and the environment. Quite frankly, I thought the Trillium Foundation would have its hands full just trying to deal with providing assistance to people who have been affected by adverse social circumstances or disabling conditions. The children's aid society would be a clear example. The centre for community living would be a clear example.

You say you're going to be a member of a team — I appreciate that — but in a team one would hope there would be a diversity of views, because there are many competing needs. How do you see yourself prioritizing those competing needs?

**Mrs Lessif:** I'm not sure I quite understand.

**Mr Cullen:** To help you out, you've been involved with the curling club and you've been involved with the centre for community living. My personal priority, if they both came forward asking for \$5,000 for a particular activity, is that I would tilt towards the centre for community living because I believe the needs they address might be a little bit more important than the curling club.

**Mrs Lessif:** I would have to concur with that decision, yes. I think on the whole that is a much more needy association. You have to do that logically: who comes to you with what and what their needs are. Like I said, I'd try not to say — I guess most people would — that just because I'm part of the curling club that's my main agenda. I'm trying to dissociate myself from that, because they're all needy. There are so many. I realize that. Tillsonburg maybe not so much; it's a very vibrant little town and it's gone through the economic times extremely well. But it



has a lot of people who really care and we have a fair amount of nice tobacco money and other crops and a diverse industry base. We're very lucky. We're very centrally located, too.

I see it through our businesses in Woodstock and Ingersoll, for instance. I have not been involved a lot in Ingersoll. Our name's around. We've been there two years in business. There are a lot of needs there, I'm sure. It has given me a little bit broader base — even just meeting the customers in the store and shopping there and doing things — that there are many needs. Yes, it's going to be hard.

**Mr Cullen:** I'm pleased to hear it, because I was concerned when the government changed the mandate of the Trillium Foundation. I don't have any problem supporting the arts and culture and sports, economic development and the environment, but in my office in Ottawa West I see the walking wounded come in every day. These are people who have been affected by government programs. I know, from being on the children's aid society board and talking to the people from the centre for community living and other groups in my community, that there are needs out there.

We're just talking here. This appointment's going to go through; that's not the issue. But we are concerned about how the Trillium Foundation is going to best spend its money meeting the needs of the community. I hear you tell me meeting the needs. I see your voluntary background: Ronald McDonald House and also your activity with the hospital. It's a well-rounded one because I see you're involved with little theatre. My Lord, what don't you do?

There are only so many dollars, and in setting priorities I would think meeting need would be the primary focus. I see that you agree with me on this.

**Mrs Lessif:** I do. I said before that we're very fortunate, my family. We don't have to live on the street. We don't have to worry about going away for holidays and things like that. I feel strongly about giving back to those who are less fortunate. I was hoping that if I got nominated for this and got on, I would be doing that in a much bigger way than even through McDonald's.

**Mr Cullen:** Great.

**The Vice-Chair:** Thank you, Mr Cullen. We've got a few minutes for you, Mr Grimmitt.

**Mr Grimmitt:** Thank you very much for allowing us the opportunity to ask questions as well, Mr Chair. Many of the questions, actually, that you've been asked by our colleagues had occurred to me, because like all of us, they're also going through the process of encouraging people in their ridings to put their names forward for this very difficult task. As Mr Gravelle said, you're going to be exposed to a lot of pressure in these situations, where I would assume a lot of groups are going to come forward and you're probably going to have applications for more money than you have to give out.

You've got in the information you provided that you've been involved with various local service clubs. Could you maybe comment on what service clubs and what your involvement was there?

**Mrs Lessif:** When we first went to Tillsonburg, I joined the Kinettes and my husband was a Kinsman. Basically, that's the only major service group that I belong to, but we have helped the Lions Club with fundraisers and the Rotary Club with their show; they put on a show every year. We certainly sponsor that, John and I, as much as possible. John was actually a member up in Woodstock in the Rotary Club for a few years. We're trying to give back, but basically it's Kinsmen.

**Mr Grimmitt:** You've described how you think this should be a team process. How do you see the team approaching the issue of differentiating between the different applications? Do you see yourself perhaps putting together a policy on how to deal with the various applications that come in?

**Mrs Lessif:** I think that would be wise, yes. You have to have some guidelines and some rules or whatever, understanding among yourselves that these are the basic guidelines so the little things don't creep in or the little things you don't have to worry about so much. But definitely, I think that would be wise. Most organizations have to have some kind of mandate or policy guidelines so you can review these fairly and make a decision.

**Mr Grimmitt:** I thought Mr Cullen's question about the curling club was a very good question. My own background is from a small community where I belong to similar organizations that you've mentioned. Would there be possibly some organizations that would simply not be eligible, in your view?

**Mrs Lessif:** Some organizations that don't fit the charities or not-for-profit?

**Mr Grimmitt:** Yes. You're going to get applications from groups that you're going to say no to. I think that's very likely.

**Mrs Lessif:** I think there definitely will be some, and you will have to advise them that they don't meet the criteria. For instance, the hospitals and the schools will not be eligible for this unless they work with one of the charities or not-for-profit organizations. If they come directly to you, you have to inform them that they have to go another route if they hope to get anything.

**Mr R. Gary Stewart (Peterborough):** Can I just pick up on that? We've got a couple of minutes. I can appreciate the curling club versus, in Mr Cullen's case, community living. But if there is ever a time when people are coming to you to request funds, I don't think there should be any preconceived notion that they qualify or don't qualify. The criteria are there, and to assume prior to that team deciding whether or not they're eligible is a grey area to be involved in. I hope that the teams that look at this funding over the next number of years would be very open-minded as they come. That's one of the reasons the Trillium Foundation was expanded into the arts and into the sports and so on, so everybody would have the opportunity. It's not that they go before you and some of the members and you have a preconceived notion that just because they've got a certain type of building, they should not get it. I really hope that does not happen.



Without asking you any more questions, the comment you made about local people deciding on local needs — if that doesn't convince us that you're the right person for the job, I don't know what would. I thank you for being here.

**Mrs Lessif:** Thank you. I just want to clarify. I don't mean to say that I would automatically say no to something like the curling, because I really love curling. It gave me a lot of hope. I'm not a very sports person, but I certainly enjoyed curling. I was athletic enough to enjoy it very much and I made a lot of friends. If anything is submitted to this grant review committee — I mean, if I'm presented on my own somewhere outside, I would definitely take it to the committee, but the decision is not because it's my priority. If I felt good enough I would present my best case, but it's not up to me whether they get money or not.

**The Vice-Chair:** I have a motion for concurrence moved by Mr Grimmett.

**Mr Grimmett:** Thank you.

**The Vice-Chair:** Any debate?

**Mr Cullen:** Clearly this is an excellent applicant and we're going to all approve her appointment, but I just want to touch on the original purpose of the Trillium Foundation, which is to basically fill in the cracks — people in

adverse social conditions. When I look at my community with respect to, for example, the mentally handicapped and the needs there, I know the team will make decisions and they will be looking at all applicants. I'm strengthened, if that's the right word — encouraged, anyway — by the applicant's comments that she's going to look at it based on needs. If we're to meet community needs, then I look forward to this. That's all I have to say.

**The Vice-Chair:** Any other comments? No? Very well.

**Mr Stewart:** I request a recorded vote.

### Ayes

Beaubien, Cullen, Gravelle, Grimmett, Newman, Spina, Stewart.

**The Vice-Chair:** That was a unanimous vote, Mrs Lessif. Congratulations. I hope you enjoy your work.

**Mrs Lessif:** I'm looking forward and, again, I really do feel very honoured. Thank you.

**The Vice-Chair:** Thank you very much for coming.

The meeting is adjourned. I ask the members of the subcommittee to remain behind so we can talk about future meetings.

*The committee adjourned at 1032.*

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